

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 5/3/2011

Action Requested By:
Finance

Agenda Item Type
Ordinance

Subject Matter:

Privilege license and tax code

Exact Wording for the Agenda:

Ordinance authorizing amendments to the City's privilege license and tax code, clarifying definitions, streamlining the tax code to be consistent with current state law, and consolidating the City's tax laws into one section of the law.

Note: If amendment, please state title and number of the original

Item to be considered for: Introduction Unanimous Consent Required: No

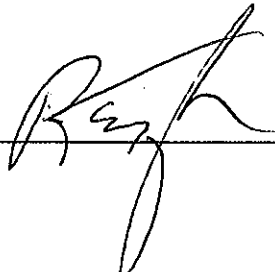
Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Current city tax law contains many sections that are a duplicate of the authorizing state law. This amendment removes duplicate sections and references state law whenever possible, simplifying the City tax code for taxpayers. The amendment also clarifies definitions that are applicable to privilege licenses and taxes, and consolidates all the City's taxes into one section of the law. There are no changes in tax rates, dues dates, or other filing requirements.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: 4/30/12

ORDINANCE NO: 12- _____

BE IT ORDAINED by the City Council of the City of Huntsville, Alabama that the Code of Ordinances of the City of Huntsville, Alabama (hereinafter referred to as "City Code") is amended as follows:

SECTION 1. Chapter 15, Article I of the City Code is hereby amended as follows:
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ARTICLE I. GENERAL PROVISIONS

Sec. 15-1. Definitions applicable to entire chapter.

(a) The following words, terms, and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Administrative hearing officer means any individual acting in that capacity as appointed by the city council to hear appeals under this chapter, and, where appropriate, shall be substituted for the term "administrative law judge" as such term appears in the corresponding state tax laws.

Alabama Department of Revenue or ADOR means the Alabama Department of Revenue, as created under the Code of Ala. 1975, §§ 40-2-1, *et seq.*

City clerk-treasurer or city clerk means the clerk-treasurer of the city or any one or more of his delegates, and, where appropriate, shall be substituted for the term "commissioner" as such term appears in the corresponding state tax laws.

City clerk-treasurer's office or city clerk's office means the office of the city clerk-treasurer, and, where appropriate, the term shall be substituted for the term "administrative law division", as such term appears in the corresponding state tax laws.

City finance department means the finance department of the city, and, where appropriate, the term shall be substituted for the term "administrative law division", as such term appears in the corresponding state tax laws.

City finance director means the finance director of the city or any one or more of his delegates, and, where appropriate, shall be substituted for the term "commissioner" as such term appears in the corresponding state tax laws.

City tax administrator means either the city clerk-treasurer or the city finance director, or both, as appropriate based upon the powers and duties that are assigned or delegated to them, directly or indirectly, by applicable law, the mayor, or the city council, or that they may apportion between themselves, consistent with those powers or duties assigned or delegated to them. The term, where appropriate, shall be substituted for the term "commissioner" as such term appears in the corresponding state tax laws.

City tax administration office means either the office of the city clerk-treasurer or the city finance department, or both, as appropriate based upon the duties that are assigned or delegated to them, directly or indirectly, by applicable law, the mayor, the city council, or the city tax administrator. Where

appropriate, the term shall be substituted for the term “administrative law division”, as such term appears in the corresponding state tax laws.

Delegate means any officer, agent, or employee of the city duly authorized by the city tax administrator, directly or indirectly, by one or more re-delegations of authority, to perform the function described in the context.

Includes or including. The term *includes* or *including* does not limit a term to the specified example.

State tax laws mean state statutory laws, and the regulations promulgated thereunder pursuant to the Alabama Administrative Procedures Act, which authorize or govern the city license and other taxes levied under this chapter, as such laws now exist or are hereafter adopted, superseded, or amended from time to time.

U.S.C. means the applicable title and section of the United States Code, as amended from time to time.

(b) Where not otherwise defined in this chapter, including subsection (a) of this section, the words, terms, and phrases, when used in this chapter, shall have the meanings and rules of construction ascribed to them in section 1-2 of this Code, except where the context clearly indicates a different meaning.

(c) *Rule of plain meaning; aid to construction of words and provisions; city tax administrator's general power of interpretation and administration.* Unless this chapter or any federal, state, or local law, rule, or regulation requires a particular meaning for any word, term, or provision not expressly defined, all other words, terms, and provisions shall be interpreted and construed in accordance with the rule of plain meaning. Solely as a nonbinding aid to assist in interpreting and construing any word, term, or provision of this chapter, the city tax administrator may utilize any reasonable source, including this Code, other ordinances and resolutions of the city council; prior interpretations, constructions, rules, regulations, policies, and rulings of the city tax administrator; the Code of Alabama; rules, regulations, interpretations, and rulings of the Alabama Department of Revenue; judicial decisions, rulings, and opinions; dictionaries and encyclopedias; rules, regulations, rulings, and promulgations of any department, agency, commission, authority, or bureau of the city, the state, or the United States. To the extent allowed by law and subject only to the executive, administrative, statutory, judicial, or legislative powers of other bodies or officials or as otherwise provided by law, the interpretation, construction, and administration by the city tax administrator of this chapter shall be final and binding.

(d) *Construction to allow maximum taxation.* The provisions of this chapter shall be construed to allow taxes, licenses, and other revenues to be assessed in the maximum amount allowed by the constitution and laws of the United States and the state, including those provisions relating to interstate commerce. All provisions of this chapter are intended to be consistent with the constitution and laws of the United States and the state. This rule of construction shall be applied as follows:

(1) The amount of tax, license, or other revenue due to the city shall be calculated in

accordance with municipal law;

(2) If the constitution or laws of the United States or the state impose no limitation thereon, then the amount due shall be assessed solely in accordance with municipal law;

(3) If the constitution or laws of the United States or the state do impose a limitation on the amount due under municipal law, then the amount due shall be reduced only to the extent required by such federal or state limitation.

(e) *Automatic conformity to federal and state law.* To the extent this chapter may conflict with any valid superseding federal or state law, it shall automatically conform to such federal or state law. The city tax administrator is authorized to administer this chapter in accordance with such automatic conformity.

Sec. 15-2. Administration of chapter generally.

(a) *City tax administrator.* Except as may otherwise be provided, the city tax administrator shall, on behalf of the city, administer and enforce this chapter and any other ordinance or resolution relating to revenues, business licenses, and taxes. In addition to all other powers granted or implied by this chapter, law, ordinance, resolution, or job description, the city tax administrator shall, subject to applicable laws including this chapter, have the following powers and duties:

(1) To administer and enforce this chapter and any other ordinance or resolution relating to revenues, business licenses, and taxes.

(2) To seek the promulgation of, rules, regulations, policies, and rulings, as allowed by and in accordance with applicable law, in furtherance of the administration of this chapter and any other ordinance or resolution relating to revenues, business licenses, and taxes.

(3) To issue or enter all levies, notices, licenses, assessments, and other matters as may be provided by this chapter, and any other ordinance or resolution relating to revenues, business licenses, and taxes.

(4) To make determinations of the amounts owed or due under this chapter and any other ordinance or resolution relating to revenues, business licenses, and taxes.

(5) To authorize and approve promissory notes, installment agreements, and other instruments of indebtedness for levies, assessments, and other business license or tax amounts due to the city.

(6) To suspend renewal of business licenses and issuances of new business licenses to persons or taxpayers who owe business license or tax liabilities to the city or for which other reasonable cause exists.

(7) To audit and examine or cause to be audited or examined the records and books of taxpayers.

(8) To take all civil, administrative, and criminal actions in the enforcement of this chapter or any

other ordinance or resolution relating to revenues, business licenses, and taxes, and the city tax administrator may require the assistance of and act through the city attorney. All remedies for enforcement and collection of licenses and taxes shall be cumulative, unless prohibited by applicable state law.

(9) To enter into, on behalf of the city, exchange of information or other agreements with other taxing authorities, as may be allowed by state or federal law.

(10) To the maximum extent allowed by state law, rule, or regulation, in addition to powers granted elsewhere in this chapter or otherwise, as related to licenses and taxes, the city tax administrator shall have all powers of administration, enforcement, assessment, collection, levy, seizure, and distraint, as provided by, authorized by, or parallel to all provisions of Code of Ala. 1975, title 11 and title 40, as amended.

(b) *Delegation.* In the exercise of his powers or duties the city tax administrator may (1) delegate all or any of said duties or powers to other officers, agents, or employees of the city, which includes his subordinates, (2) request the advice, counsel, representation, or assistance of the city attorney, or his designees, or (3) be assisted by city law enforcement officers in the enforcement of this chapter. When reference is made in this chapter to the city tax administrator, it shall include his delegates.

(c) *City tax administration office.* The city tax administration office shall be responsible for processing appeals to the administrative hearing officer and otherwise performing in accordance with applicable law and shall be under the supervision of the city tax administrator, as appropriate, relative to any day to day operations of the office.

(d) *Administrative hearing officer.* The administrative hearing officer shall be responsible for scheduling and conducting hearings and deciding all appeals properly filed with the city tax administration office and to otherwise perform in accordance with applicable law.

Sec. 15-3. Disclosure of information; exchange of information.

(a) The confidentiality of license and tax information, as such information is identified by applicable state tax laws, shall be maintained in accordance therewith and may be disclosed as allowed thereby, including disclosure, in accordance with applicable state tax laws, of information regarding taxes paid or taxes due and unpaid by the seller so as to comply with sections 40-23-25, 40-23-82, or 40-12-224 of the Code of Ala. 1975.

(b) The city tax administrator is hereby authorized to exchange license and tax information with other municipal, state, and county tax agencies and officers in accordance with applicable state tax laws, including section 40-2A-10(e) of the Code of Ala. 1975, and Alabama Department of Revenue regulations promulgated pursuant thereto, subject to the confidentiality restrictions of this chapter and state law.

(c) Notwithstanding this section or section 15-76 or any other provision of law pertaining to taxpayer confidentiality, any violation of this section or section 15-76 or other provisions regarding taxpayer confidentiality shall not create any cause of action, and the city does not waive any immunity or

other defense provided by law pertaining to taxpayer confidentiality.

Sec. 15-4. Interest.

(a) Interest shall be added to any license or other tax levied under this chapter which is not paid by the due date, subject to section 40-23-2.1, Code of Ala. 1975. The interest shall be computed based on the underpayment rate established in section 40-1-44(a), Code of Ala. 1975.

(b) Interest shall be paid on any refund of license or other tax erroneously paid under this chapter. A license or other tax will be considered erroneously paid if it was paid as a result of any error, omission, or inaccurate advice by or on behalf of the city. The interest shall be computed at the same rate as provided in subsection (a) of this section for interest on underpayments.

Secs. 15-5 – 15-30 reserved.

SECTION 2. Chapter 15, Article II of the City Code is hereby amended as follows:

ARTICLE II. BUSINESS LICENSES

DIVISION 1. GENERAL PROVISIONS

Sec. 15-31. Definitions applicable to this article; conflict with chapter 3 of this Code.

(a) *Definitions.* The following words, terms, and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning.

Business means any commercial or industrial activity or any enterprise, trade, profession, occupation, or livelihood, including the lease or rental of residential or nonresidential real estate, whether or not carried on for gain or profit, and whether or not engaged in as a principal or as an independent contractor, which is engaged in, or caused to be engaged in, within the city.

Business license means an annual license issued by the city pursuant to this article for the privilege of doing any kind of business, trade, profession, or any other activity in the city, by whatever name called, which document is required to be conspicuously posted or displayed in accordance with section 15-44(d) of this article. The term does not include the liquor, motor fuel, or tobacco taxes levied under articles IV, V, or VII, respectively, or the sales, uses, rental, or lodging taxes levied under article III, of this chapter.

Business license remittance form means any business license return, renewal reminder notice, or other writing on which a taxpayer calculates its business license tax liability for all or part of the license year and remits the amount so calculated with the form.

Gross receipts means a measure of any and all receipts of a business from whatever source derived, to the maximum extent permitted by applicable laws and constitutional provisions, to be used in calculating the amount due for a business license. Provided, however, that:

(1) Gross receipts shall not include any of the following taxes collected by the business on behalf of any taxing jurisdiction or the federal government: All taxes which are imposed on the ultimate consumer, collected by the taxpayer, and remitted by or on behalf of the taxpayer to the taxing authority, whether state, local, or federal, including utility gross receipts taxes levied pursuant to Article 3, Chapter 21, Title 40 of the Code of Ala. 1975; license taxes levied pursuant to Article 2, Chapter 21, Title 40 of the Code of Ala. 1975; or reimbursements to professional employer organizations of federal, state, or local payroll taxes or unemployment insurance contributions; but no other deductions or exclusions from gross receipts shall be allowed except as provided in this article.

(2) A different basis for calculating the business license may be used by the city with respect to certain categories of taxpayers as prescribed in Code of Ala. 1975, § 11-51-90.2.

(3) For a utility or other entity described in Code of Ala. 1975, § 11-51-129, gross receipts shall be limited to the gross receipts derived from the retail furnishing of utility services within the city during the preceding year that are taxed under Article 3 of Chapter 21 of Title 40 of the Code of Ala. 1975, except that nothing herein shall affect any existing contract or agreement between the city and a utility or other entity. The gross receipts derived from the furnishing of utility services shall not be subject to further business license taxation by the city.

(4) Gross receipts shall not include dividends or other distributions received by a corporation, or proceeds from borrowings, the sale of a capital asset, the repayment of the principal portion of a loan, the issuance of stock or other equity investments, or capital contributions, or the undistributed earnings of subsidiary entities.

License form means any business license application form, renewal reminder notice, business license remittance form, or business license return by whatever name called.

License year means the calendar year.

Municipality means any town or city in this state that levies a business license tax from time to time. The term shall also include the town's or city's police jurisdiction, where the business license tax is levied in the police jurisdiction.

Person means any individual, association, estate, trust, partnership, limited liability company, corporation, or other entity of any kind.

Principal means any person that is a sole proprietor, shareholder of a privately held corporation, officer, director, principal, partner, member if the member manages or has the right to manage the entity or organization, or any other person serving as a part of the governing authority of an entity.

Taxing jurisdiction means any municipality that levies a business license tax, whether or not a business license tax is levied within its police jurisdiction, or the Department of Revenue acting as agent on behalf of a municipality pursuant to the Code of Ala. 1975, §§ 11-51-180, *et seq.*, as the context

requires.

Taxpayer means any person subject to or liable under this article for any business license tax; any person required to file a return with respect to, or pay or remit the business license tax levied under this article or to report any information or value to the city; or any person required to obtain, or who holds any interest in, any business license issued by the city; or any person that may be affected by any act or refusal to act by the city under this article, or to keep any records required by this article.

Other terms. Other capitalized or specialized terms used in this article, and not defined in this subsection (a) or section 15-1, shall have the same meanings ascribed to them in Code of Ala. 1975, § 40-2A-3, unless the context otherwise requires.

(b) *Conflict with chapter 3.* Chapter 3 of this Code contains regulations concerning alcoholic beverages and may contain provisions that are inconsistent with one or more provisions of this article. In such case chapter 3 shall apply.

Sec. 15-32. Method for providing notice under this article.

(a) *Methods; receipt.*

(1) *Notice by city.* Unless otherwise provided for in this article, all written notice required to be sent by the city under this article shall be sent, at the city clerk's option, by personal delivery, or by certified mail, return receipt requested, or by first class U.S. mail, to the last-known mailing address of record in the city clerk's office. Unless otherwise provided for in this article, written notices shall be deemed served or received as follows: if by personal delivery, upon delivery; if by first class U.S. mail, three (3) days after mailing; or if by certified mail, upon receipt.

(2) *Notice by taxpayer.* Unless otherwise provided for in this article, all written notice required to be sent by the taxpayer under this article shall be sent to the city clerk's office using any one of the methods, at the taxpayer's option, prescribed in subsection (1) above. Unless otherwise provided for in this article, written notices shall be deemed served or received as set forth in subsection (1) above.

(b) *Alternative methods.* The taxpayer may also request, at any time and from time to time, that, as alternative but not additional methods of providing notice to the taxpayer from the city, that notice be sent via facsimile to the facsimile number provided by the taxpayer, or by electronic mail to the email address provided by the taxpayer. It shall be solely at the city clerk's option the method of providing notice that will be used, unless provided for otherwise in this article. Unless otherwise provided for in this article, written notices using the alternative methods shall be deemed served or received as follows: if by facsimile or electronic mail, upon confirmation of delivery.

(c) *State-required methods.* Notwithstanding anything to the contrary contained in this section, where applicable provisions of state tax laws dictate the proper method of sending notice, the method used shall conform to such state tax law.

Secs. 15-33—15-35. Reserved

DIVISION 2. BUSINESS LICENSE REQUIRED; APPLICATION PROCESS

Sec. 15-36. Business license required.

(a) *Levy of business license.* There is hereby levied on each of the following persons who are within the city's business license jurisdiction, or who engage in activity subject to the city's business license jurisdiction, a business license to be paid in the amount as provided elsewhere in this article:

- (1) Each person engaging in any activity listed or described in the business license schedule of section 15-85; or
- (2) Each person engaged in any exhibition, trade, business, vocation, occupation, or profession; or
- (3) Each person engaged in any activity for which chapter 51 of title 11 of the Code of Ala. 1975, or any other provision of the Code of Ala. 1975, enables the city to levy a business license.

(b) *Purposes of levy.* The levy of business licenses is in the exercise of the police power and for the purpose of raising revenue.

Sec. 15-37. Prima facie evidence of engaging in business.

(a) *Indications of business activity.* Each of the following, without limitation, shall constitute prima facie evidence of engaging in business:

- (1) The maintenance of an office or place of business.
- (2) Advertising, signs, web sites, promotional materials, or similar matters that promote the business.
- (3) Maintaining books or records indicating business activity.
- (4) Engaging in any activity which would require that the person obtain a license from the state or any county within which the city is located, or the obtaining of such a license; or the filing of a tax return with the Alabama Department of Revenue or Internal Revenue Service indicating the existence of a business.
- (5) Engaging in any activity described in the 2002 North American Industrial Classification System.
- (6) Engaging in any activity for which state law would enable or authorize the city to require a business license.

(b) *List not exclusive.* This section is supplemental to all other provisions of this article. No specific kind of evidence of engaging in business activity shall be required. A business license shall be required as provided in this article regardless of the quality or quantity of evidence.

Sec. 15-38. Exemptions.

(a) In addition to any other exemptions required to be provided under applicable federal and state laws, or that are otherwise provided for in this article, the following shall be exempt from the business license requirements of this article:

(1) *Farmer's exemption.*

a. For purposes of this subsection (1), the following terms shall have the meanings ascribed to them in this subsection a.:

(i) The term *farmer* means a farmer or other individual engaged in the production of farm products for sale or other disposition exclusively of articles produced by him.

(ii) The term *farm product* means all agricultural, horticultural, vegetable and fruit products of the soil, meats, marine food products, poultry, eggs, dairy products, wool, hides, feathers, nuts and honey, but shall not apply to seeds sold at retail, nor include timber products, tea, coffee or pelts of fur-bearing animals.

b. No business license shall be required of any farmer; provided, however, it shall be unlawful for any farmer to sell or offer for sale within the corporate limits of the city any farm product produced by him without first having obtained, without cost, an annual farmer's permit from the city clerk-treasurer.

c. In the event a farmer applying for a farmer's permit holds a grower's permit issued by the Alabama Cooperative Extension System, he shall include a copy of the grower's permit with his application. Any farmer selling with a grower's permit shall be allowed to sell or offer for sale only those farm products listed on the grower's permit at the location specified. Any farmer selling any other farm product not listed on the grower's permit shall forfeit the exemption allowed for under this article for the items not listed.

(2) *Exemption for public school booster organizations.*

No license shall be required of any bona fide nonprofit school music, academic, or athletic group, group booster, or parents' group when raising money by selling "band" candy, ornaments, fruitcakes, fresh fruit or gift items, or washing cars, etc., where all of the profits from such sales will go to support the school band, math team, athletic team, cheerleaders, etc., by purchasing equipment, musical instruments, or uniforms, or to pay for transportation to and from games, tournaments, competitions, or exhibitions where such trips or activities, games, tournaments, competitions, or exhibitions are approved by the school board of the city schools. If a retail sale of these items is made, an academic sponsor or parents group would be responsible to see that any and all sales tax would be collected and paid to the city clerk-treasurer.

- (3) *Certain nonprofits.* Any nonprofit corporation formed under the laws of Alabama which is operated to enable municipalities that become members of such nonprofit corporation to finance or refinance capital projects and related undertakings, on a cooperative basis, and whose board of directors or other governing body consists primarily of elected officials of municipalities.

(b) The person claiming an exemption from business licensing hereunder shall provide appropriate proof of eligibility as may be required by the city clerk or by applicable federal or state laws.

(c) Exemption from licensing under this section does not relieve any person from complying with other applicable city laws including the zoning ordinance and technical codes of the city.

Sec. 15-39. License application process.

(a) *Application.* Each taxpayer who is required to purchase a business license shall make application to the city-clerk treasurer's office utilizing forms provided by the city clerk for that purpose. Such applications shall be sworn to by the taxpayer or its duly authorized agent. Although the city clerk-treasurer's office may assist the person in determining the proper classification for the license and shall have the authority to determine the proper license classification, the taxpayer shall be responsible for obtaining a business license for the proper classification. Where a taxpayer who is already licensed under this article or whose existing business license is under renewal is adding a new line of business which requires licensing under this article, the taxpayer shall be required to make application for the new line of business.

(b) *Contact information.* All taxpayers making application for a business license shall provide sufficient contact information to the city clerk for the purpose of receiving any notice or other documentation required to be sent to the taxpayer by the city under this chapter.

(c) *Code compliance procedure.* Applications shall be processed in accordance with the following section 15-40.

(d) *Building contractors or subcontractors.* Notwithstanding anything to the contrary in this article, where a business license is for contractors or subcontractors who are subject to the city's building, gas, plumbing, or electrical codes, the city clerk-treasurer may direct that applications and renewals for such business licensing be initiated with, processed through, or administered in whole or part by the city's inspection division.

Sec. 15-40. Code compliance procedure.

(a) *Definition.* For the purposes of this section, the term "suitable for licensing" or "suitability for licensing" means that the application for business licensing including the applicant, the proposed business to be licensed, its premises, and its operation: (1) is in compliance with all applicable laws, including the zoning laws, building and other technical codes, fire codes, health codes, and this chapter; (2) has met prerequisites required for licensing; and (3) is not found to have a condition to exist which would constitute a basis for action being taken under subsection 15-56(a).

(b) *Code compliance procedure.* Upon submission of a completed application for a business license and prior to the issuance of same, the city clerk-treasurer's office is authorized to investigate whether the application is suitable for licensing. Such investigation may include the recommendations of other city departments as to suitability for licensing. Such recommendations may include recommendations for approval, recommendations for disapproval stating the reasons therefor, or recommendations for approval subject to stated conditions being met which make the application suitable for licensing. Upon receipt of the recommendations of applicable departments, the city clerk-treasurer is authorized to determine suitability for licensing. The city clerk-treasurer shall not determine that an application is suitable for licensing where at least one department has recommended disapproval.

(c) *Disapproval; conditional approval.* If an application for licensing is not approved, the city clerk's office shall provide written notice to the applicant of the disapproval and the reason for disapproval. If the application is approved with conditions, the applicant shall accept the conditions in writing and, thereafter, the business license shall be issued subject to such conditions, which shall become part of the business license and a violation of such conditions shall constitute a violation of this article. If the applicant does not accept the conditions, the application shall be disapproved and written notice thereof provided to the applicant.

(d) *Appeal of disapproval.* A person who applied for a business license that has been disapproved may appeal as follows:

(1) Within thirty (30) days after receipt of the notice of the disapproval the person must submit to the city clerk-treasurer's office a signed written notice that the disapproval is being appealed.

(2) The city clerk-treasurer's office shall set an informal administrative hearing before the city clerk-treasurer, or his delegate which shall be a city license inspector, within thirty (30) days after receipt of the notice of the appeal. Reasonable notice of the date, time, and place of the hearing shall be given by the city clerk-treasurer's office to the appellant in writing. The thirty-day period may be extended by the city clerk-treasurer for good cause shown, or by agreement between the city clerk-treasurer and the appellant. The city clerk-treasurer shall inform the other city department which recommended disapproval or conditional approval of the appeal, and such other department shall have a representative who is familiar with the reason therefor and who has the discretion to amend or remove the disapproval or conditional approval present at the administrative hearing. The administrative hearing shall be controlled and conducted by the city clerk-treasurer, or his delegate who must be a license inspector of the city. The participants shall discuss the circumstances giving rise to the action appealed from in good faith and ascertain whether an agreement can be reached to alter, amend, mitigate, or remove the action appealed from. The city clerk-treasurer, or his delegate who must be a license inspector of the city, shall have the final decision whether to alter, amend, mitigate, or remove the disapproval or approval with conditions and shall notify the appellant in writing of his decision within fourteen (14) days after the close of the hearing.

(3) If the appellant is aggrieved by the decision of the city clerk-treasurer, or his delegate, the appellant may appeal the decision to the city council by filing a written notice of the appeal with the city clerk's office within fifteen (15) days after receipt of the ruling from the city

clerk-treasurer. The appeal shall be forwarded to the city council which shall set a hearing thereon. The appellant shall be given at least ten (10) days advance written notice of the date, time, and place for the hearing on the appeal, and the hearing on the appeal shall be conducted by the city council in the same manner as license revocation hearings under subsection 15-56(c)(2). In the event the appellant fails to appear at the hearing before the city council, provided due notice has been given thereof, the appellant shall have waived any right it has to contest the action taken.

(4) Within thirty (30) days after the conclusion of the hearing the city council shall, by resolution, decide whether to alter, amend, mitigate, or remove the disapproval or approval with conditions. Thereafter, the appellant shall be notified of the council's decision by providing the appellant with a copy of the resolution. The city council's decision shall be final, subject to any applicable rights of judicial review provided by state law.

(5) Where the determination under an appeal under this subsection (d) is an approval with conditions, the applicant shall accept the conditions in writing and, thereafter, the business license shall be issued subject to such conditions, which shall become part of the business license.

(e) *Alternative procedure.* Notwithstanding anything to the contrary contained in this section, in the event there is an existing appeals process in place for the department that recommended disapproval or approval with conditions, such process shall be followed in lieu of the one provided for in this section. Such appeals include but are not necessarily limited to appeals under the zoning laws and the technical codes of the city.

(f) *Code compliance not a certification of lawfulness; no cause of action.* The code compliance procedure is entirely regulatory in nature as an exercise of the police powers of the city, and for determining whether a license shall be issued. It shall not relieve the taxpayer from compliance with all such laws, codes, ordinances, rules, and regulations. Issuance of a business license shall not constitute a certification, endorsement, finding, representation, warranty, or guarantee by the city or the city clerk-treasurer that the taxpayer is conducting a lawful business or is otherwise in compliance with such laws, codes, ordinances, rules, and regulations; or that the taxpayer or its business does not and shall not negatively impact public health, safety, or welfare. The code compliance procedure and the issuance of a business license shall not give rise to any cause of action against the city for any activity by the taxpayer or the taxpayer's business, even if the city erroneously concludes that the taxpayer is in compliance.

Sec. 15-41. Effect of state regulations.

(a) As a prerequisite to licensing, every person who applies for a license under this chapter to conduct any trade or business that is subject to state licensing board oversight shall submit proof satisfactory to the city clerk's office that such person has obtained all applicable permits, licenses, and certifications that are required by law to conduct the trade or business. Such proof includes a true and accurate copy of the taxpayer's card or certificate, issued by the particular state licensing board within 14 months of the date on which the taxpayer applies for a business license.

(b) Any establishments selling articles of food or drinks must have a permit from the county health department before the city shall issue a license.

(c) The city clerk-treasurer shall determine, upon receipt of an application to obtain or renew

a business license, whether the applicant's business is identified as an industrial activity under the regulations adopted by the Environmental Protection Agency at 40 CFR 122, "National Pollutant Discharge Elimination System [NPDES] Permit Application Regulation for Storm Water Discharges; Final Rule." If the applicant's business is identified as an industrial activity, the applicant will be required to enter, on the license application form, the NPDES discharge permit number issued by the Alabama Department of Environmental Management (ADEM) and the permit's date of expiration. Failure to enter the valid NPDES permit number on the application shall result in the city clerk-treasurer's sending a copy of the applicant's license to ADEM.

Sec. 15-42. Issuance of business license generally; issuance fee; payment by check.

(a) *Issuance generally.* Upon meeting all conditions for the issuance of a business license, the city clerk-treasurer shall issue an appropriate license, but the issuance and grant thereof is expressly conditioned upon the truth and accuracy of the application and sworn statements. The license shall be revocable as provided in this article if such information was untruthful, inaccurate, or if the amount paid by the licensee was insufficient.

(b) *Issuance fee.* In addition to the amount of each license fee due the city, a fee of ten dollars (\$10.00), or the current amount set by the Alabama Department of Revenue, for issuing or renewing a license shall be charged and paid as a part of each license issued. Such issuance fee shall be paid at the time of issuing or renewing the license and shall not be prorated.

(c) *Payment by check.* Whenever a business license or business license receipt shall be issued in return for any check, the license shall not be valid or of any force or effect unless such check shall be duly paid upon presentation to the drawee. The city clerk-treasurer shall collect an administrative bad check charge as provided by section 2-154 of this Code on any and every check that is not honored, for whatever reason, upon presentation to the drawee.

Sec. 15-43. Terms of licenses; transfers.

(a) *Term.* All licenses due the city shall be valid for the remainder of the calendar year in which they are issued, except in cases where a daily, weekly, or monthly license is specifically provided. Every license shall automatically expire at the end of the period for which it is valid. For a flat rate business license that is taken out after July 1, only one-half of the license fee shall be charged and collected, except for those classifications for which daily, weekly, monthly, quarterly or semiannual licenses are provided.

(b) *Transfer of licenses.*

(1) Subject to subsection (b)(2) of this section, no license shall be transferred to a different taxpayer, person, location, or otherwise; provided that a mere change in the name or ownership of a taxpayer that is a corporation, partnership, limited liability company, or other form of legal entity now or hereafter recognized by the laws of Alabama shall not constitute a transfer for purposes of this section, unless:

a. The change requires the taxpayer to obtain a new federal employer identification number or Department of Revenue taxpayer identification number; or

b. The subject license is one for the sale of alcoholic beverages, in which case a new business license application and approval shall be required as provided in chapter 3 of this Code.

(2) Notwithstanding anything to the contrary in subsection (b)(1) of this section, upon application for a transfer and a surrender of the original license, the city clerk-treasurer may allow a business license, other than an alcoholic beverage license regulated by chapter 3 of this Code, to be transferred once during the license year to reflect a physical change in location; provided, however, the transfer application shall be subject to the same code compliance process as an original license as such compliance process relates to the suitability of the proposed premises for the business or its operation. It shall be unlawful for the taxpayer, its principals, servants, agents, or employees, to conduct or allow the conduct of business at the new location until the transfer has been approved and a license issued for the new location and each day a violation of this subsection occurs constitutes a separate offense.

Sec. 15-44. License required for each location and line of business; posting of license required.

(a) *License specific to location.* Every taxpayer required to purchase a business license under this article shall obtain a separate business license for each location at which it does business in the city; provided, however, a regularly licensed business selling at a temporary location in the city for no more than five (5) days and no more than twice in a given license year shall not be required to pay an additional issuance fee in relation to the business license issued for the temporary location.

(b) *More than one line of business.* Any taxpayer engaged in multiple lines of business shall purchase a license for each separate line of business from which the taxpayer derived more than ten (10) percent of its gross receipts during the preceding license year. For each business license, the gross receipts which are taxed with regard to such license shall be only those gross receipts which arise within the line of business which is the subject of the license, except as provided in subsection (c), other provisions of this article, or as otherwise provided by law.

(c) *Gross receipts not meeting ten (10) percent threshold.* Nothing herein shall be construed to exempt the gross receipts derived from one or more additional lines of business of the taxpayer if those gross receipts do not exceed the required ten (10) per cent threshold for the purchase of a second or multiple business licenses. Instead, those gross receipts shall be included in the business license for the taxpayer's primary line of business.

(d) *Posting of license.* Each business license is required to be conspicuously posted or displayed at the location where such business is conducted except for that portion of the license that lists the taxpayer's business license tax or other financial information. Any transient or nonresident person doing business within the city who does not have a permanent business location in the city shall carry such license either upon his person or in any vehicle or other conveyance which is used in such business. A nontransient license must show the location of business and is valid only at the indicated location. The taxpayer shall, upon request, immediately show the license to any license inspector with the city clerk's office or any law enforcement officer of the city.

(e) *Compliance with other city laws.* Notwithstanding anything to the contrary contained in this section, where a taxpayer is not required to purchase a business license for a particular line of

business because the ten percent-threshold has not been met, the taxpayer shall nevertheless comply with and be subject to applicable city laws that govern the business including the zoning laws, fire codes, building codes, and other technical codes of the city.

Sec. 15-45. Renewal dates.

(a) *Annual renewal.* Each annual business license shall be due on January 1st of each year and shall be renewed on or before January 31st of each year and shall be delinquent if renewed after January 31st. If the due date for payment of any business license hereunder falls on a weekend or a holiday recognized by the city from time to time, the due date shall automatically be extended until the next business day.

(b) *Insurance companies.* Notwithstanding the foregoing, insurance company licenses shall be renewed annually on or before March 1st, in accordance with Code of Ala. 1975, § 11-51-122, and the license tax due according to the license schedule shall be accompanied by the certified statement of the amount of gross premiums received during the preceding year. Failure to furnish such statement or to pay such sum shall subject the company and its agents to those penalties as prescribed for doing business without a license as provided for in this article.

(c) *When received.* A renewal is deemed received on the day payment is actually made in the city clerk-treasurer's office, or, if sent by the United States mail and received in the city clerk's office within a reasonable time, the day it is lawfully postmarked. For those business licenses which the city clerk has directed to be renewed through the inspection division, payment shall be made to the inspection division.

Sec. 15-46. Renewal notices and taxpayer duty to report certain changes.

The city clerk-treasurer's office shall mail or otherwise transmit a renewal reminder notice to each taxpayer that purchased a business license during the preceding license year, via regular U.S. mail addressed to the taxpayer's last known mailing address, on or before December 31st of the current license year. The failure of the city clerk-treasurer's office to comply with the preceding sentence shall not, however, preclude it from enforcing the business license tax laws against a taxpayer, but shall preclude the assessment of any fines or penalties otherwise due for late payment until ten (10) days after a renewal reminder notice has been mailed to the taxpayer at its last known mailing address as indicated in the records of the city clerk-treasurer's office, or personally delivered to the taxpayer, and the taxpayer then fails or refuses to remit the business license tax due for such license year within the ten-day period. If the city clerk-treasurer's office mails a renewal reminder notice to the last known mailing address of the taxpayer, as indicated in the records of the city clerk-treasurer's office, there shall exist a presumption that the city clerk-treasurer's office has complied with the above provisions. The city clerk-treasurer's office shall not be precluded from assessing fines and penalties otherwise due for late payment if the taxpayer does not notify the city clerk-treasurer's office of a change in address within ninety (90) days after changing such address. Taxpayers shall notify the city clerk-treasurer's office of a change of mailing address within ninety (90) days of the address change. In like manner, taxpayers shall notify the city clerk-treasurer's office of a change in their federal employer identification number or Alabama Department of Revenue taxpayer identification number within a reasonable time after such number is changed.

Secs. 15-47—15-55. Reserved.

DIVISION 3. ENFORCEMENT

Sec. 15-56. Action taken against licensing.

(a) *Basis for action.* Any business license issued pursuant to this article may be revoked or suspended by the city council after notice and hearing for any of the following reasons:

- (1) The taxpayer, its principal, agent, servant, or employee violates or has violated any provision of this Code or any ordinance of the city, or any federal or state law, rule, or regulation, relating to the license, business, business premises, or business activity, to which the license or application pertains.
- (2) The taxpayer, its principal, agent, servant, or employee, violates or aids or abets in violating or knowingly permits or suffers to be violated any criminal ordinance of the city or any criminal law of the state on the licensed premises, or under color of license.
- (3) Any application, affidavit, return, statement, or other document filed by or on behalf of the taxpayer under this chapter contains false or misleading information or an omission of a material fact.
- (4) The business or its operation is, or is reasonably likely to become if allowed to commence or continue, offensive, injurious, or dangerous to the public health, safety, or general welfare, to the extent of constituting a nuisance.
- (5) The taxpayer fails or has failed to pay within the time prescribed by law any business license or tax liability for which a final assessment has been entered, if one is required to be entered under this chapter, and for which all direct appeals have been exhausted or the time to appeal has expired, or for which the taxpayer or license applicant is required to pay as the result of a conviction for which no further direct appeal is available, or any other liability due and owing to the city after any applicable process for judicial or administrative review has been concluded or has expired.
- (6) The taxpayer fails to meet any qualification, criteria, or credentialing standard under federal, state, or municipal law required in order to engage in the kind of business to which the license relates.
- (7) The taxpayer or its principal has been convicted of a felony within the past five (5) years that is related to activity that tends to show that licensing of the business in question would place the health, safety, or welfare of the general public at risk.
- (8) Any other reason provided or allowed by law or rule.

(b) *Non-renewal.* The conditions set forth hereinabove as grounds for suspension or revocation of a license shall also constitute grounds for refusing to renew a license by the city clerk-treasurer. In the case of non-renewal, the taxpayer may appeal the city clerk's decision to the city council by filing a written notice of appeal with the city-clerk-treasurer's office within fifteen (15) days

after receipt of the notice of non-renewal. Upon receipt of the notice of appeal the city clerk-treasurer shall petition the city council to set a hearing thereon in accordance with subsection (c) of this section.

(c) *Process.*

(1) The city council, upon petition by the city-clerk treasurer, shall set a hearing on the matter of revoking, suspending, or refusing to renew a license. Notice of the hearing and grounds for the revocation, suspension, or non-renewal of the license shall be in writing and served on the taxpayer at least ten (10) calendar days prior to the hearing.

(2) At such hearing, the taxpayer shall have the right to present evidence, the right to introduce witnesses, and the right to be represented by an attorney. The public hearing shall be recorded or transcribed for the purpose of maintaining a reasonably accurate record of the proceedings. Provided, however, the city council shall not be required to follow rules of evidence or procedure unless specifically required by law or ordinance.

(3) The taxpayer may elect, at any time prior to the hearing, to waive in writing the taxpayer's right to a hearing and concede the basis for action being taken against the license; in which case the city council may proceed to take action against the license in accordance with this section. In the event the taxpayer fails to appear at the hearing, provided due notice has been given thereof, the taxpayer shall have waived any right it has to contest the basis for action being taken against the license.

(d) *Action taken.* Within thirty (30) days following the close of the hearing contemplated by paragraph (c) of this section the city council may, by resolution, take any of the following actions against a business license (which may include each line of business of the taxpayer):

(1) Suspend the then-current business license for a period not to exceed 12 months, and if the then-current license is to expire before the end of the suspension period, the renewal of the license shall be held in abeyance until the expiration of the suspension period. The city council may also suspend a business license for any business in which all or any of the principals of the affected taxpayer is also a principal. At the end of the suspension period the then-current license shall be automatically reinstated; provided, however, if the license has expired during the suspension period and is up for renewal, the license may be processed for renewal in accordance with this article.

(2) Revoke the then-current business license for up to a 36 month period. The city council may also revoke a business license for any business in which all or any of the principals of the affected taxpayer is also a principal. The taxpayer may apply for a new business license at the end of the revocation period, subject to the code compliance process of section 15-40.

(3) Refuse to renew the business license for up to a 36 month period. The city council may also refuse to renew a business license for any business in which all or any of the principals of the affected taxpayer is also a principal. The taxpayer may apply for a new license at the end of the non-renewal period, subject to the code compliance process of section 15-40.

(4) Refuse to issue a new business license for any business in which all or any of the principals

of the affected taxpayer is also a principal, during the period of suspension, revocation, or non-renewal of a business license.

(e) *Notice of action.* A copy of the city council's resolution shall be mailed to the taxpayer in the same manner as the notice of the hearing.

(f) *Unlawful to violate action.* It shall be unlawful for any person to violate the terms of the revocation, suspension, or non-renewal as set forth in the resolution of the city council.

(g) *Injunction.* As an additional or alternative remedy, the city may institute injunctive proceedings in a court of competent jurisdiction against the taxpayer.

(h) *Judicial review.* The taxpayer may seek judicial review in accordance with state law.

Sec. 15-57. Penalties for failure to obtain or renew license.

(a) *Criminal penalties.*

(1) It shall be unlawful for any person, taxpayer, or agent of a person or taxpayer to engage in the activity for which a business license is levied under this article without first having procured a business license therefor, which includes its renewal by the due date. In addition to any applicable civil penalties, violations of this subsection shall be punishable, at the discretion of the court trying the same, by a fine of up to five hundred dollars (\$500.00) for each offense, and, if the violation is willful, by imprisonment not to exceed six (6) months for each offense. Each day during which such violation occurs shall constitute a separate offense.

(2) Until the proper business license is obtained, the activity for which the license is required shall cease and it shall be unlawful for any person associated with the taxpayer, as a principal, servant, agent, or employee, to willfully allow or undertake to carry on the non-licensed activity until the proper business license is obtained therefor. Violations of this subsection shall be punishable, at the discretion of the court trying the same, by a fine of up to five hundred dollars (\$500.00) for each offense, and by imprisonment not to exceed six (6) months for each offense. Each day during which such violation occurs shall constitute a separate offense.

(b) *Civil penalties.* In addition to the penalties prescribed by subsection (a), if a taxpayer fails to pay any business license tax owed to the city on or before the date prescribed therefor, there shall be assessed a penalty of fifteen (15) percent of the business license tax required to be paid with the license form. There shall be assessed a penalty of thirty (30) percent of any business license tax required to be paid with the license form if the business license tax and any assessed penalties are not paid within thirty (30) days of the due date prescribed in the preceding sentence. Such penalties shall not be cumulative.

(c) *Waiver for reasonable cause.* Notwithstanding the foregoing, no fine or penalty under this section shall be assessed, or if assessed, shall be waived, if reasonable cause exists. "Reasonable cause" shall mean: The death or major illness of or an accident involving a sole proprietor causing serious bodily injury that in either case resulted in the sole proprietor being unable to purchase the license or operate his or her business during the ten (10) days preceding the due date for the license; natural disaster, fire, explosion, or accident that caused the closing or temporary cessation of the business of the taxpayer during

the ten (10) days preceding the due date for the license; or reliance on the erroneous advice of the city clerk-treasurer, which includes his delegates, given in writing or by electronic mail. The city clerk-treasurer may, but is not required to, waive the penalty for other reasons, including the taxpayer's reliance on erroneous but good faith advice from its tax adviser or on erroneous oral advice from the city clerk-treasurer, which includes his delegates. The burden of proving reasonable cause shall be on the taxpayer, and a determination by the city clerk that reasonable cause does not exist shall be reversed only if that determination was made arbitrarily and capriciously.

(d) All penalties and interest administered by the taxing jurisdiction pursuant to this section and section 15-4 shall be assessed and collected in the same manner as business license taxes.

(e) Notwithstanding anything to the contrary contained in this chapter, during the period of an appeal from a final assessment under this chapter, criminal proceedings against the applicable taxpayer for failure to pay the license fee or tax, including penalty and interest, under review shall be held in abeyance, pending the outcome of the appeal.

Sec. 15-58. Unlawful acts.

It shall be unlawful for any person, or for any principal, agent, servant, or employee of such person, to fail or refuse to perform any duty imposed by this article; to obstruct or interfere with the city clerk-treasurer in carrying out the purposes of this article; or to knowingly provide a false return, report, certificate, affidavit, statement, or other information required to be submitted under this article.

Sec. 15-59. Criminal violations of article.

Unless otherwise provided for in this article, any person found guilty of violating any of the provisions of this article shall be subject to the general penalty provisions of section 1-7 of this Code. Each day that the violation occurs constitutes a separate offense.

Sec. 15-60. Lien for non-payment of license tax.

On all property, both real and personal, used in any exhibition, trade, business, vocation, occupation, or profession for which a license is or may be required, the city shall have a lien for such license, which lien shall attach as of the date the license is due and shall be superior to all other liens, except the lien of the state, county, and municipal corporations for taxes and the lien of the state and county for licenses. Such lien may be enforced by attachment.

Sec. 15-61. Injunctive relief; nuisance.

In addition to the remedies provided by Ala. Code of 1975, §§ 11-51-150 *et seq.*, the continued or recurrent performance of any act or acts within the corporate limits of the city for which action may be taken against a license under section 15-56 is hereby declared to be detrimental to the health, safety, comfort, and convenience of the public and is a nuisance. The city, as an additional or alternative remedy, may institute injunctive proceedings in a court of competent jurisdiction to abate the same.

Sec. 15-62 Prosecutions unaffected.

The adoption of this article shall not in any manner affect any prosecution of any act illegally done contrary to the provisions of any ordinance now or heretofore in existence, and every such prosecution, whether begun before or after the enactment of this article shall be governed by the law under which the offense was committed; nor shall a prosecution, or the right to prosecute, for the recovery of any penalty or the enforcement of any forfeiture be in any manner affected by the adoption of this article; nor shall any civil action or cause of action existing prior to or at the time of the adoption of this article be affected in any manner by its adoption.

Secs. 15-63—15-72. Reserved.

DIVISION 4. PROCEDURES FOR PURPOSES OF DETERMINING TAX DUE

Sec. 15-73. Duties of taxpayer.

(a) *Duty to provide sworn statement.* It shall be the duty of the taxpayer to furnish to the city clerk-treasurer, on such forms as may be required by the city clerk-treasurer, a sworn statement as to those factors upon which the license classification or license tax depend, including, but not necessarily limited to, the amount of capital invested, value of goods or stocks, the amounts of sales or gross receipts, or other factors which form the basis for classification or taxation under this article and, failing or refusing to so furnish, it shall be a violation of this article.

(b) *Duty to allow inspection.* To the extent allowed by the statutes and constitutions of the United States or state, upon demand by the city clerk-treasurer, the taxpayer shall be required to provide access during business hours to all portions of the place of business to enable the city clerk-treasurer to gain such information as may be necessary or convenient for determining the proper license classification or the correct amount of license tax, and, failing therein, it shall be a violation of this article. In the event a search warrant is required by law, the city clerk-treasurer shall collaborate with the police department to make application for obtaining and execution of a search warrant.

(c) *Record keeping.* In accordance with Ala. Code of 1975, § 11-51-190, taxpayers under this article shall keep and maintain, and allow an examination of in accordance with section 15-74, accurate and complete set of records, books, and other information sufficient to allow the city clerk to determine the correct amount of any business license tax levied under this article, or other records or information as may be necessary for the proper administration of any matters under the jurisdiction of the city including proper business license classification, and failing therein, it shall be a violation of this article. Such records shall include but are not necessarily limited to all books of account, invoices, purchases, sales, receipts, register tapes, inventory, reports, bank statements, financial statements, employment records, and copies of federal income tax returns and Alabama sales and income tax returns.

Sec. 15-74. Rights of taxpayer; abatement of penalty; business license examination.

(a) *Rights.* In the administration of this article, taxpayers shall have the rights afforded to them under sections 11-51-186(a) of the Code of Ala. 1975, which is incorporated herein by reference; provided that the city shall not be prohibited from assessing any business license tax otherwise due under this article, nor excuse the taxpayer from timely complying with any time limitations under this article for

failing to provide such rights to the taxpayer.

(b) *Abatement of penalty.* Penalties shall be abated by the city clerk-treasurer as required by applicable state tax laws including section 11-51-186 of the Code of Ala. 1975, which is incorporated herein by reference.

(c) *Examinations.* Business license examinations shall be conducted in accordance with applicable provisions of sections 11-51-186(a) and 11-51-187 of the Code of Ala. 1975, which are incorporated herein by reference.

(d) *Policies and procedures.* The city clerk-treasurer is hereby authorized to establish policies and procedures necessary to comply with the dictates of state tax laws applicable to business license examinations and assessments.

Sec. 15-75. Determination of amounts due; preliminary and final assessments; review; appeal; refund for overpayment.

(a) *Basis for entry of preliminary assessment.* If the city tax administrator determines that the amount of any business license tax reported on or remitted with a business license remittance form is incorrect, if no business license remittance form is filed within the time prescribed, or if the information provided on the form is insufficient to allow the city tax administrator to determine the proper amount of business license tax due, the city tax administrator may calculate the correct amount of the tax based on the most accurate and complete information reasonably obtainable. The city tax administrator may thereafter enter a preliminary assessment for the correct amount of business license tax, including any applicable penalty and interest. Nothing contained herein shall limit or restrict the city's right to seek injunctive relief under Ala. Code of 1975, §§ 11-51-150, *et seq.*

(b) *Immediate entry of final assessment.* In the event any of the following occurs: (1) the amount of the license tax reported on a return is undisputed by the city tax administrator; (2) the taxpayer consents in writing to any deficiency; or (3) the taxpayer consents in writing to the amount of the preliminary assessment, then the city tax administrator may, immediately enter a final assessment for the amount of the tax due, plus any applicable penalty and interest.

(c) *Method and limitation period for entry.*

(1) All preliminary and final assessments of business licenses issued by the city tax administrator shall be executed by the city tax administrator or by those to whom he has delegated the right to execute said assessments. Such execution may be written by hand or facsimile signature, or by any other method which constitutes a valid method for executing any form of official document.

(2) Any preliminary assessment shall be entered within four (4) years from the due date of the business license form, or four (4) years from the date the form is filed, whichever is later, except as follows:

a. A preliminary assessment may be entered at any time if no license form is filed as required, or if a false or fraudulent license form is filed with the intent to evade the business license tax.

b. A preliminary assessment may be entered within six (6) years from the due date of the license form or six (6) years from the date the license form is filed with the city clerk, whichever date occurs last, if the taxpayer omits or fails to report an amount in excess of twenty-five (25) percent of its gross receipts or other applicable business license tax base.

c. A preliminary assessment may be entered within five (5) years from the due date of the license form, or five (5) years from the date the form is filed, whichever is later, if the taxpayer or its authorized agent fails or refuses to execute and return to the city clerk a written extension of the statute of limitations on issuing preliminary assessments for up to eight (8) months, as requested by the city clerk, within thirty (30) days after receipt of the request for extension by the taxpayer or its authorized agent.

(3) The preliminary assessment entered by the city tax administrator, or a copy thereof, shall promptly upon entry be mailed by the city tax administrator to the taxpayer's last known mailing address by either first class U.S. mail or certified U.S. mail with return receipt requested, but at the option of the city tax administrator, the preliminary assessment may be delivered to the taxpayer by personal delivery.

(d) *Petition for review of preliminary assessment; entry of final assessment.*

(1) If a taxpayer disagrees with a preliminary assessment as entered by the city tax administrator, the taxpayer may file a petition for review with the city tax administrator, within thirty (30) days from the date of entry of the preliminary assessment setting out the specific objections to the preliminary assessment. If a petition for review is timely filed, or if the city tax administrator otherwise deems it necessary, the city tax administrator, or his delegate who shall be a revenue officer or license inspector of the city, shall schedule a conference with the taxpayer for the purpose of allowing the taxpayer or its representatives and the representatives of the city to present their respective positions, discuss any omissions or errors, and to attempt to agree upon any changes or modifications to their respective positions.

(2) If a petition for review:

a. Is not timely filed, or

b. Is timely filed, and upon further review the city tax administrator determines that the preliminary assessment is due to be upheld in whole or in part, the city tax administrator may make the assessment final in the amount of business license tax due as computed by the city tax administrator, with applicable interest and penalty computed to the date of entry of the final assessment. The city tax administrator shall, whenever practicable, complete his review of the taxpayer's petition for review and applicable law within ninety (90) days following the later of the date of filing of the petition or the

conference, if any.

(3) The final assessment entered by the city tax administrator , or a copy thereof, shall promptly upon entry be mailed to the taxpayer's last known mailing address a. by either first class U.S. mail or certified U.S. mail with return receipt requested in the case of assessments of business license tax of five hundred dollars (\$500) or less, or b. by certified U.S. mail with return receipt requested in the case of assessments of business license tax of more than five hundred dollars (\$500). In either case and at the option of the city tax administrator, the final assessment, or a copy thereof, may be delivered to the taxpayer by personal delivery.

(e) *Appeals of final assessment.*

(1) A taxpayer may appeal from any final assessment entered hereunder by the city tax administrator by filing a notice of appeal, within thirty (30) days from the date of entry of the final assessment, with the city tax administrator, who shall promptly forward a copy of the notice of appeal and related documents to the administrative hearing officer. No filing fee or supersedeas bond shall be required for such appeals.

(2) In lieu of the appeal under subdivision (1) to the administrative hearing officer, and at the option of the taxpayer, the taxpayer may appeal from any final assessment hereunder to the Circuit Court of Madison County, Alabama by filing a notice of appeal within thirty (30) days from the date of entry of the final assessment with both the city tax administrator and the clerk of the circuit court and by otherwise following the requirements of section 11-51-191(e) of the Code of Ala. 1975.

(f) *Appeal from administrative hearing officer.* A final order issued by the administrative hearing officer is appealable in accordance with section 11-51-191(f) of the Code of Ala. 1975.

(g) *Petition for refund.*

(1) Any taxpayer may file a petition for refund with the city tax administrator for any overpayment of business license tax erroneously paid to the city. If a final assessment for the tax has been entered by the city tax administrator, a petition for refund of all or a portion of the tax may be filed only if the final assessment has been paid in full prior to or simultaneously with the filing of the petition for refund.

(2) A petition for refund shall be filed with the city tax administrator within a. three years from the date that the business license form was filed, or b. two years from the date of payment of the business license tax which is the subject of the petition, whichever is later, or if no form was timely filed, two years from the date of payment of the business license tax.

(3) The city tax administrator shall either grant or deny a petition for refund within six (6) months from the date the petition is filed, unless the period is extended by written agreement of the taxpayer and the city tax administrator acting on behalf of the city. The taxpayer shall be notified of the city tax administrator's decision concerning the petition for refund by first class U.S. mail or by certified U.S. mail, return receipt requested, sent to the taxpayer's last known mailing address.

If the city tax administrator fails to grant a full refund within the time provided herein, the petition for refund shall be deemed to be denied.

(4) If the petition is granted, or the city tax administrator or a court otherwise determines that a refund is due, the overpayment shall be promptly refunded to the taxpayer by the city tax administrator, together with interest to the extent provided in section 15-4. If the city tax administrator or a court determines that a refund is due, the amount of overpayment plus any interest due thereon may first be credited by the city tax administrator against any outstanding final tax liabilities due and owing by the taxpayer to the city, and the balance of any overpayment shall be promptly refunded to the taxpayer. If any refund or part thereof is credited to any other tax by the city tax administrator, the taxpayer shall be provided with a written detailed statement showing the amount of overpayment, the amount credited for payment to other taxes, and the amount refunded.

(5) a. A taxpayer may appeal from the denial in whole or in part of a petition for refund by filing a notice of appeal with the clerk of the Circuit Court of Madison County, Alabama by filing the notice of appeal within two (2) years from the date the petition is denied. The circuit court shall hear the appeal according to its own rules and procedures and shall determine the correct amount of refund due, if any.

b. If an appeal is not filed with the appropriate circuit court within two years of the date the petition is denied, then the appeal shall be dismissed for lack of jurisdiction.

c. The provisions of this section 15-75 shall also be applied to the taxes levied and assessed under articles IV, V, and VII of this chapter.

Sec. 15-76. Disclosure of license information; exchange of information.

(a) *Generally.* It shall be unlawful for any person to print, publish, or divulge, without the written permission or approval of the taxpayer, the license form of any taxpayer or any part of the license form, or any information secured in arriving at the amount of tax or value reported, for any purpose other than the proper administration of this chapter, or upon order of any court, as otherwise allowed by Code of Ala. 1975, § 11-51-196, or as otherwise allowed by state or federal law. Nothing herein shall prohibit the disclosure, upon request, of the fact that a taxpayer has or has not purchased a business license or of the name and address of a taxpayer purchasing or renewing a business license from the city. Statistical information pertaining to taxes may be disclosed to the city council upon request.

(b) *Exchange of information.* Pursuant to Code of Ala. 1975, § 11-51-196, the city clerk-treasurer is hereby authorized to exchange business license information between and among the city and other municipalities adopting similar ordinances or between county and state governments in a manner consistent with applicable state law including section 40-2A-10(e) of the Code of Ala. 1975, and Alabama Department of Revenue regulations promulgated pursuant thereto, subject to the confidentiality restrictions of this section and state law. The city clerk may charge a reasonable fee for providing such information.

(c) *No damages against city.* In no event shall any damages, attorney fees, or court costs

be assessed against the city under this section, nor shall any damages, attorney fees, or court costs be assessed against elected officials, officers, or employees of the city under this section.

Secs. 15-77—15-81. Reserved.

DIVISION 5. COMPUTATION OF TAX; CLASSIFICATIONS; SCHEDULES

Sec. 15-82. Computation of license fee based on gross receipts.

(a) *Computation.* In the case of business licenses computed on the basis of gross receipts, the method for computing the license fee shall be as follows:

(1) For the initial business license, taxpayer shall make a good-faith estimate of the total amount of gross receipts it expects for the remainder of the calendar year, which shall be referred to as the "short year." The initial business license payment shall be based on this estimated amount. When the taxpayer next renews the business license, the estimated amount for the initial business license shall be compared to the taxpayer's actual gross receipts in the short year, and the amount for the initial license shall be adjusted accordingly, with the taxpayer owing at the time of such renewal any deficient amounts, or alternatively obtaining a credit for any overpayment. The basis for the license tax in the short year shall be the actual gross receipts for the short year.

(2) For the first renewal of the business license, the amount paid for the taxpayer's business license initially shall be based on an estimated full year's gross receipts, to be determined and adjusted utilizing the following procedure. The taxpayer shall project the first full year's gross receipts by annualizing the short year's gross receipts. This shall be done by dividing the number of full months the taxpayer was in business in the municipality or police jurisdiction into the short year's gross receipts and multiplying that amount by twelve (12); provided that each taxpayer shall be deemed to have been in business in the municipality for a minimum of one month for purposes of this calculation. The initial amount levied on the taxpayer for this first renewal shall be based on this annualized projected amount, but the final levy shall be based on the actual gross receipts for that year.

(3) When the business license is renewed the following year after a full year of doing business, the amount paid in the previous year shall be adjusted to accord with the taxpayer's actual annual gross receipts, with the taxpayer owing at the time of such renewal any deficient amounts, or alternatively obtaining a credit for any overpayment for the previous year.

(4) In all subsequent years that the business license is renewed, the amount of business license owed shall be based on the gross receipts for the license year next preceding the current license year.

(b) *Effect of applicable law.* Where a business license tax is to be calculated based on gross receipts and applicable federal or state law requires that certain gross receipts be excluded from the calculation or where applicable federal or state law otherwise dictates how gross receipts are to be determined, for purposes of taxation under this article, it shall be the taxpayer's responsibility to properly make such exclusions or determinations based on applicable federal or state law.

(c) *Payment protection.* Any first time licensee or transient merchant may be required by the city to pay the business license fee and the issuance fee in cash or by certified check before a business license is issued. Any licensee who has paid the business license fee or issuance fee in prior years with financial instruments that were returned unpaid to the city by the financial institution on which drawn may be required by the city to pay the license fee and issuance fee in cash or by certified check before a business license is issued.

(d) *Sworn statements required.* Taxpayers shall be required to file with each renewal of a business license a sworn statement in accordance with section 15-73; provided, however, for licenses in the phase-in period that are based on estimated gross receipts, the taxpayer shall only be required to make an unsworn good faith effort to reasonably estimate the gross receipts.

Sec. 15-83. Branch office rules.

A taxpayer required by this article to purchase a business license that is engaged in business in more than one municipality shall be permitted to account for its gross receipts so that the part of its gross receipts attributable to one or more branch offices will not be subject to the business license tax imposed on the principal business office required to obtain a business license. Branch office gross receipts are those receipts that are the result of business conducted at or from a qualifying branch office. In order to establish the existence of a qualifying branch office, the taxpayer shall meet all the following criteria:

- (1) Demonstrate the continuing existence of an actual physical facility located outside the police jurisdiction of the municipality in which its principal business office is located, such as a retail store, outlet, business office, showroom, or warehouse, to which employees or independent contractors, or both, are assigned or located during regular normal working hours.
- (2) Maintain books and records which reasonably indicate a segregation or allocation of the taxpayer's gross receipts to the particular facility or facilities.
- (3) Provide reasonable proof that separate telephone listings, signs, or other indications of separate activity are in existence.
- (4) Billing or collection activities, or both, relating to the business conducted at the branch office or offices are performed by an employee or other representative of the taxpayer who has such responsibility for the branch office, whether or not the representative is physically located at the branch office.
- (5) All business claimed by a branch office or offices must be conducted by and through the office or offices.
- (6) Supply proof that all applicable business licenses, as that term is defined by section 11-51-90.1 of the Code of Ala. 1975, with respect to the branch office or offices have been issued.

Sec. 15-84. Delivery license.

(a) In lieu of any other type of license, a taxpayer may at its option purchase for \$100.00 plus the issuance fee, a delivery license for the privilege of delivering its merchandise in the city if the taxpayer meets all of the following criteria:

- (1) Other than deliveries, the taxpayer has no other physical presence within the city;
- (2) The taxpayer conducts no other business in the city other than delivering merchandise and performing the requisite set-up and installation of said merchandise;
- (3) Such delivery and set-up and installation is performed by the taxpayer's employees or agents, concerns the taxpayer's own merchandise in the city, and is done by means of delivery vehicles owned, leased, or contracted by the taxpayer;
- (4) The gross receipts derived from the sale and any requisite set-up or installation of all merchandise so delivered shall not exceed \$75,000.00 during the license year;
- (5) Any set-up or installation shall relate only to that required by the contract between the taxpayer and the customer or as may be required by state or local law, and the merchandise so delivered;
- (6) If at any time during the current license year the taxpayer fails to meet any of the above stated criteria, then within the ten (10) days after any of said criteria have been violated or exceeded, the taxpayer shall purchase all appropriate business licenses from the city for the entire license year and without regard to this section.

(b) Mere delivery of the taxpayer's merchandise by common carrier shall not allow the city to assess a business license tax against the taxpayer, but the gross receipts derived from any sale and delivery accomplished by means of a common carrier shall be counted against the \$75,000.00 limitation described in the preceding section if the taxpayer also during the same license year sells and delivers into the city using a delivery vehicle other than a common carrier.

(c) A common carrier, contract carrier, or similar delivery service making deliveries on behalf of others shall not be entitled to purchase a delivery license.

(d) The delivery license shall be calculated in arrears, based on the related gross receipts during the preceding license year.

(e) The purchase of a delivery license shall not, in and of itself, establish a nexus between the taxpayer and the city for purposes of the taxes levied by or under the authority of Code of Ala. 1975, Title 40 or other provisions of law, nor does the purchase of a delivery license conclusively determine that a nexus does not exist between the taxpayer and the city.

Sec. 15-85. License schedule.

The following schedule is declared to be a schedule of the charges for licenses for the calendar year beginning January 1, 2008, and ending December 31, 2008, and the schedule is levied for the calendar year 2008 and for each calendar year thereafter until it has been amended or repealed, on all persons engaged in any exhibition, trade, business, vocation, occupation, profession or calling or doing any action specified within the corporate limits of the city. The licenses in this schedule shall be paid to the city as set forth in the schedule of licenses as follows:

- (1) *Advertising.* Each person engaged in the business of advertising, by whatever means, shall pay a

license tax on annual gross receipts as follows:

\$0.00 to \$19,999.00 \$65.00

\$20,000.00 and over 65.00

Plus, per \$1,000.00 in excess of \$20,000.00 1.00

Where a taxpayer is required to include advertising gross receipts in calculating license taxes due under other schedules of this section, the taxpayer shall not be required to also include such receipts under this schedule.

(2) *Amusement machines.* Each person engaged in the business of owning, operating, possessing or giving space in their place of business to a lawful automatic amusement, picture, video, pinball, information vending, dispensing or displaying machine, or machine on which a person is weighed or blood pressure given shall pay a license tax as follows:

For each machine \$50.00

This license shall be due and payable by the person, owner or proprietor of the place of business where such vending machine is located.

This schedule shall not apply to machines dispensing tangible products, to any coin-operated telephone, or to any machine vending postage stamps.

(3) *Automotive dealer (transportation and industrial equipment), new.* Each person engaged in the business of buying, selling or trading new or new and used aircraft, automobiles, mobile homes, recreational vehicles, farm tractors, industrial equipment, or trucks shall pay a license tax based on gross annual receipts as follows:

\$0.00 to \$199,999.00 \$250.00

\$200,000.00 to \$29,999,999.00 250.00

Plus, per \$1,000.00 in excess of \$200,000.00 1.00

\$30,000,000.00 to \$49,999,999.00 30,050.00

Plus, per \$1,000.00 in excess of \$30,000,000.00 0.50

\$50,000,000.00 to \$99,999,999.00 40,050.00

Plus, per \$1,000.00 in excess of \$50,000,000.00 0.25

\$100,000,000.00 and over 52,550.00

Plus, per \$1,000.00 in excess of \$100,000,000.00 0.14

For the purpose of this schedule, gross receipts shall mean the entire receipts of the business, including all receipts from activities such as repair services, selling replacement parts and

accessories, government sales, or sales outside the city except as provided in this schedule. Gross receipts shall not include used automobiles taken in trade or in a series of trades as credit or part payment on the sale of a new or used vehicle, the amount reported being the net trade difference; and a deduction shall be allowed for federal excise tax, wholesale parts sales (on in-house or intercompany book transfers only), labor (where work is performed on vehicles in the sales inventory only), freight on new automobiles, and for repossessions of automobiles, such deduction for the repossessions being based on the unpaid taxable purchase price remaining at the time of the repossession.

This schedule does not allow for the operation of a wrecker or vehicle towing/hauling service, which shall be licensed under the hauling for hire schedule (schedule (45)).

This schedule shall not apply to the sale of lawn mowers, motorbikes, motorcycles and garden tractors, all of which should be licensed according to the merchant—retail schedule (schedule (56)).

- (4) *Automotive dealer, used.* Each person engaged in the business of buying, selling or trading used aircraft, automobiles, mobile homes, recreational vehicles, farm tractors, industrial equipment or trucks shall pay a license tax based on gross annual receipts as follows:

\$0.00 to \$199,000.00 \$160.00

\$200,000.00 and over \$160.00

Plus, per \$1,000.00 in excess of \$200,000.00 \$1.00

- (5) *Automobile or truck rental or leasing.* Each person engaged in the business of renting or leasing automobiles or trucks shall pay a license tax as follows:

For each vehicle \$30.00

Schedule (5) does not apply to the rental or lease of aircraft, boats or heavy equipment. Aircraft, boats, or heavy equipment rental or leasing shall be licensed according to the renting and/or leasing schedule (schedule (72)).

- (6) *Reserved.*

- (7) *Barbershop or beauty shop.* Each person operating a barbershop or beauty shop shall pay a license tax in accordance with the number of chairs/stations in each shop as follows:

For the first chair/station \$50.00

For each additional chair/station \$20.00

A license shall be required for each chair/station whether or not such chair/station is in use. Any sale of merchandise within the shop will be licensed according to the merchant retail schedule (schedule (56)). Any rental of space within the shop will be licensed according to the renting and/or leasing schedule (schedule (72)). Any nail technician will be licensed according to the service schedule (schedule (77)).

(8) *Beverages, alcoholic.* Each person engaged in the following businesses shall, prior to engaging in such business, pay to the city for the privilege of so engaging an annual license tax for each business as follows:

State of Alabama Code Number	Type of Licensee	Amount (Each Business)
010	Lounge Retail Liquor – Class I	\$1200.00
011	Lounge Retail Liquor – Class II (Package)	\$1200.00
020	Restaurant Retail Liquor	\$1200.00
031	Club Liquor – Class I	\$1200.00
032	Club Liquor – Class II	\$1200.00
040	Retail Beer (On or Off Premises)	\$75.00
050	Retail Beer (Off Premises Only)	\$50.00
060	Retail Table Wine (On or Off Premises)	\$75.00
070	Retail Table Wine (Off Premises Only)	\$75.00
080	Liquor Wholesale	\$1500.00
090	Wholesale Beer Only	\$250.00
100	Wholesale Table Wine Only	\$275.00
110	Wholesale Beer and Table Wine Combined	\$375.00
120	Warehouse License	\$250.00
130	Additional warehouse, Wine, Beer, or both	\$100.00
140	Special Events Retail	\$250.00
150	Special Retail License – 30 days or less	\$1200.00
160	Special Retail – more than 30 days	\$1200.00
200	Manufacturer	\$500.00
210	Importer	\$250.00
220	Brewpub	\$75.00

(9) to (15) *Reserved.*

(16) *Billiard or pool tables.* Each person operating a billiard or pool room or parlor shall pay an annual license tax as follows:

For the first table at each location \$125.00

For each additional table at each location 25.00

This license is required for all tables, whether in use or not.

(17) *Bingo.* Any person operating an authorized bingo game in accordance with chapter 4, article II, shall pay an annual license tax as follows:

For each license year \$500.00

For one calendar week 25.00

(18) *Bonds—Appearance and appeal.* Each person, firm or corporation engaged in the business of becoming or procuring surety for any court, appeal appearances or otherwise for consideration, except guarantee companies or corporations otherwise specifically licensed, shall pay a license tax based on gross annual receipts as follows:

\$0.00 to \$24,999.00 \$320.00

\$25,000.00 and over 320.00

Plus, per \$1,000.00 in excess of \$25,000.00 1.00

(19) *Bowling alley.* Each person engaged in the business of providing bowling alleys, including ten pin alleys, box ball alleys, shuffleboards, and miniature bowling alleys and shuffleboards shall pay an annual license tax as follows:

For each lane \$40.00

This license is required for all lanes, whether in use or not.

(20) *Broker or dealer in securities.* Each person engaged in the business of acting as broker or dealing in securities, commodities or mutual funds, or in the business of lending money on stocks, bonds, securities or commodities shall pay an annual license tax for each registered agent, broker or dealer employed by or using the facilities or resources of the agency, as follows:

For each registered broker, agent or dealer \$350.00

(21) *Building and loan or savings and loan association or banks.* Each person operating a building and loan association or bank shall pay an annual license tax as follows:

When capital surplus, reserves and undivided profits combined are:

Less than \$50,000.00 \$ 10.00

\$50,000.00 and less than \$100,000.00 20.00

\$100,000.00 and less than \$150,000.00 30.00

\$150,000.00 and less than \$200,000.00 40.00

\$200,000.00 and less than \$250,000.00 50.00

\$250,000.00 and less than \$300,000.00 60.00

\$300,000.00 and less than \$350,000.00 70.00

\$350,000.00 and less than \$400,000.00 80.00

\$400,000.00 and less than \$450,000.00 90.00

\$450,000.00 and less than \$500,000.00 100.00

\$500,000.00 and less than \$600,000.00 110.00

\$600,000.00 and over 125.00

For each branch of such association or bank 10.00

Provided, however, if a bank holding company is engaged in additional lines of business that do not fall within NACIS SECTORS 551 or 522 and which are not considered financial in nature, as defined under federal banking law, the bank holding company shall obtain a business license for each addition line of business so assessed by the city for each location where this additional lines of business are conducted in the city.

(22) *Carnival, fair or circus.* Each person operating a carnival, fair, circus or similar activity shall pay a license tax as follows:

For each week or part-week of operation \$2,500.00

For any carnival or fair operated for five days or less, by or for a local charitable organization that qualifies with an IRS 501 exemption or church where ten or fewer rides, concessions stands, sideshows or other amusements or other stands are set up \$250.00

This fee shall include all sideshows, rides, concession stands, amusements or other stands. Anyone purchasing a license under this schedule must post with the city clerk-treasurer a certificate of insurance showing at least \$5,000,000.00 dollars coverage for liability. Anyone qualifying as a carnival or fair with ten or fewer rides, concession stands, sideshows, amusements or other stands must post with the city clerk-treasurer a certificate of insurance showing at least \$1,000,000.00 dollars coverage for liability. Also, a tax bond in an amount determined by the clerk-treasurer must be posted with the city clerk-treasurer's department to

ensure the prompt payment of any and all additional taxes that would be due the city. Each carnival, fair or circus must obtain a special exception to the zoning ordinance (Appendix A to this Code) and Madison County Health Department food permits (if food is being prepared and served in any manner) before a city privilege license will be granted (This process should be applied for at least 60 days before the event starts).

(23) *Cemetery company.* Each person engaged in the business of selling, soliciting the sale, or of furnishing cemetery lots or mausoleum space shall pay a license tax on gross annual receipts as follows:

\$0.00 to \$19,999.00 \$125.00

\$20,000.00 and over 125.00

Plus, per \$1,000.00 in excess of \$20,000.00 1.00

(24) *Reserved.*

(25) *Club, social or recreational.* Each person engaged in the operation of a private or public social club, lounge, restaurant, health facility, swimming pool or any other facility where a membership fee, door charge, gate fee, cover charge or any other like or similar type fee is collected either one time, annually, semiannually, quarterly, monthly, weekly, daily or in any other manner, must obtain a license for such activity and shall pay a license tax on annual gross fees as follows:

\$0.00 to \$9,999.00 \$100.00

\$10,000.00 and over 100.00

Plus, per \$1,000.00 in excess of \$10,000.00 1.00

(26) *Contractor, general, building.* Each person engaged in the business of accepting orders, contracts or subcontracts for erecting, enlarging, improving, relocating any building or structure shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$24,999.00 \$75.00

\$25,000.00 to \$99,999.00 150.00

\$100,000.00 to \$999,999.00 250.00

\$1,000,000.00 to \$4,999,999.00 350.00

\$5,000,000.00 to \$9,999,999.00 500.00

\$10,000,000.00 and over 500.00

Plus, per \$1,000.00 in excess of \$10,000,000.00 0.25

Each person engaged in the business of constructing houses or buildings for resale, whether on contract or otherwise, or who maintains an office in the city in connection with such

construction within or outside of the city shall pay the license tax as provided in this schedule.

All general contractors shall, upon request, furnish the building inspector or license inspector or their duly authorized representative with a full and complete list showing the names, addresses and license numbers of all subcontractors to whom work has been contacted. The general contractor shall not allow any work to proceed by any subcontractor until such subcontractor has exhibited to him his current city privilege license for the work to be performed.

(27) *Contractor/subcontractor, specialty.* Each person engaged in the business of accepting orders, contracts or subcontracts for making improvements to the land (including but not limited to building, grading, paving, installation of curbs, gutters or sewers, excavating, or landscaping) or any other type of construction shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$24,999.00 \$ 75.00

\$25,000.00 to \$99,999.00 150.00

\$100,000.00 to \$999,999.00 250.00

\$1,000,000.00 to \$4,999,999.00 350.00

\$5,000,000.00 to \$9,999,999.00 500.00

\$10,000,000.00 and over 500.00

Plus, per \$1,000.00 in excess of \$10,000,000.00 0.25

(28) *Contractor, electrical.* Each person engaged in the business of accepting orders, contracts or subcontracts for electrical installation, construction, or repairs, shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$24,999.00 \$ 75.00

\$25,000.00 to \$99,999.00 150.00

\$100,000.00 to \$999,999.00 250.00

\$1,000,000.00 to \$4,999,999.00 350.00

\$5,000,000.00 to \$9,999,999.00 500.00

\$10,000,000.00 and over 500.00

Plus, per \$1,000.00 in excess of \$10,000,000.00 0.25

(29) *Contractor, plumbing.* Each person engaged in the business of accepting orders, contracts or subcontracts for plumbing installation, construction or repairs shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$24,999.00 \$ 75.00

\$25,000.00 to \$99,999.00 150.00

\$100,000.00 to \$999,999.00 250.00

\$1,000,000.00 to \$4,999,999.00 350.00

\$5,000,000.00 to \$9,999,999.00 500.00

\$10,000,000.00 and over 500.00

Plus, per \$1,000.00 in excess of \$10,000,000.00 0.25

(30) *Contractor, gas fitters.* Each person engaged in the business of accepting orders, contracts or subcontracts for gas piping installation, construction or repairs shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$24,999.00 \$ 75.00

\$25,000.00 to \$99,999.00 150.00

\$100,000.00 to \$999,999.00 250.00

\$1,000,000.00 to \$4,999,999.00 350.00

\$5,000,000.00 to \$9,999,999.00 500.00

\$10,000,000.00 and over 500.00

Plus, per \$1,000.00 in excess of \$10,000,000.00 0.25

(31) *Contractor, heating and air conditioning.* Each person engaged in the business of accepting orders, contracts or subcontracts for heating and air conditioning installation, construction or repairs shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$24,999.00 \$ 75.00

\$25,000.00 to \$99,999.00 150.00

\$100,000.00 to \$999,999.00 250.00

\$1,000,000.00 to \$4,999,999.00 350.00

\$5,000,000.00 to \$9,999,999.00 500.00

\$10,000,000.00 and over 500.00

Plus, per \$1,000.00 in excess of \$10,000,000.00 0.25

(32) *Contractor/subcontractor, other.* Each person engaged in the business of accepting orders, contracts or subcontracts for the building construction related services of trades of sheet metal or any other service or trade for installation, construction or repairs, or other related services not specifically

provided for, shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$24,999.00 \$ 75.00

\$25,000.00 to \$99,999.00 150.00

\$100,000.00 to \$999,999.00 250.00

\$1,000,000.00 to \$4,999,999.00 350.00

\$5,000,000.00 to \$9,999,999.00 500.00

\$10,000,000.00 and over 500.00

Plus, per \$1,000.00 in excess of \$10,000,000.00 0.25

All contractors, general and subcontractors, schedules (26)—(32) shall upon request furnish the building inspector or license inspector or his duly authorized representative a signed copy of the contract or any other document necessary, authorizing the contractor to begin the construction project for which a permit is being purchased, reflecting the total gross amount of the construction project. The total gross amount reflected in the project shall be used either at the beginning of the year as a current projection of the gross receipts from the construction project, or upon completion of the construction project, or year end, at which time remittance from each general or subcontractor for any additional privilege license fees shall be due and payable. This fee can be simply billed out to the contractor or subcontractor by the inspection department, and remittance in full is expected within 30 days of the date of such billing.

No permits for work of any type for which a license is required according to schedules (26)—(32) shall be issued to a contractor, subcontractor, owner or any authorized agency by the building inspection department until all privilege license taxes have been paid.

(33) *Contractors and subcontractors, engineering, research or manufacturing.* Each person engaged in the business of accepting orders, contracts or subcontracts for engineering, research or manufacturing of a product developed by the engineering or research services shall pay a license tax based on annual gross receipts from contracts performed within the city as follows:

\$0.00 to \$99,999.00 \$ 250.00

\$100,000.00 to \$999,999.00 250.00

Plus, per \$1,000.00 in excess of \$100,000.00 1.00

\$1,000,000.00 to \$9,999,999.00 1,150.00

Plus, per \$1,000.00 in excess of \$1,000,000.00 0.50

\$10,000,000.00 to \$99,999,999.00 5,650.00

Plus, per \$1,000.00 in excess of \$10,000,000.00 0.25

\$100,000,000.00 to \$999,999,999.00 28,150.00

Plus, per \$1,000.00 in excess of \$100,000,000.00 0.14

\$1,000,000,000.00 to \$9,999,999,999.00 154,150.00

Plus, per \$1,000.00 in excess of \$1,000,000,000.00 0.07

\$10,000,000,000.00 and over 784,150.00

Plus, per \$1,000.00 in excess of \$10,000,000,000.00 0.04

(34) *Contractors and subcontractors, engineering, research, manufacturing, or support service.* Each person maintaining an office for liaison, marketing or administering contracts, who maintains an agent, representative or employees, where no contracts are performed within the city, shall pay a license tax based on the annual total gross operating cost of such office within the city or total gross receipts credited to such office within the city, whichever is greater, as follows:

\$0.00 to \$99,999.00 \$ 200.00

\$100,000.00 to \$999,999.00 200.00

Plus, per \$1,000.00 in excess of \$100,000.00 1.00

\$1,000,000.00 to \$9,999,999.00 1,100.00

Plus, per \$1,000.00 in excess of \$1,000,000.00 0.50

\$10,000,000.00 to \$99,999,999.00 5,600.00

Plus, per \$1,000.00 in excess of \$10,000,000.00 0.25

\$100,000,000.00 to \$999,999,999.00 28,100.00

Plus, per \$1,000.00 in excess of \$100,000,000.00 0.14

\$1,000,000,000.00 to \$9,999,999,999.00 154,100.00

Plus, per \$1,000.00 in excess of \$1,000,000,000.00 0.07

\$10,000,000,000.00 and over 784,100.00

Plus, per \$1,000.00 in excess of \$10,000,000,000.00 0.04

(35) *Delivery.* Each person delivering articles of merchandise or any other property within the city when not in connection with a regularly licensed business shall pay a license tax based on gross receipts as follows:

\$0.00 to \$74,999.00 \$100.00

\$75,000.00 to \$124,999.00 200.00

\$125,000.00 to \$174,999.00 300.00

\$175,000.00 to \$249,999.00 400.00

\$250,000.00 and over 400.00

Plus, per \$1,000.00 in excess of \$250,000.00 1.00

As used in this schedule, a delivery license shall mean a business license for the limited privilege of delivering and requisite set-up and installation, by the taxpayer's employees or agents, of the taxpayer's own merchandise in the City of Huntsville, by means of delivery vehicles owned, leased, or contracted by the taxpayer mere delivery of the taxpayer's merchandise by common carrier shall not allow the City of Huntsville to assess a business license

Persons taking orders, soliciting or consummating sales of merchandise or taking orders, soliciting or consummating sales of services or performing such services within the city shall obtain a license based on such trade, business, occupation, profession or vocation, which shall entitle such business to deliver within the city without obtaining an additional license.

(36) *Development of property.* Each person engaged in the business of developing, subdividing and selling lots to builders or others shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$49,999.00 \$125.00

\$50,000.00 and over 125.00

Plus, per \$1,000.00 in excess of \$50,000.00 1.00

(37) *Directory.* Each person engaged in the business of making, compiling, selling or offering for sale any directory shall pay:

Annually \$1,000.00

This schedule shall entitle such person to sell advertising in the directory without procuring an additional license.

(38) *Entertainment.* Each person, other than religious, charitable or educational organizations, engaged in any type of entertainment, not otherwise provided for, including but not limited to boxing, wrestling, rodeos, sports events, races, museums, lectures, concerts, or other shows or performances where charges are made for admission shall pay a license as follows:

All events, per day \$100.00

All events, per week 200.00

All events, per year 500.00

(39) *Exterminator.* Each person selling disinfectant, insecticide and/or exterminators engaged in the business of pest extermination in any manner shall pay a license tax based on annual gross receipts

tax as follows:

\$0.00 to \$26,000.00 \$65.00

\$26,000.00 and over 65.00

Plus, per \$1,000.00 in excess of \$26,000.00 2.50

(40) *Finance and/or loan company.* Each person engaged in the business of acting as broker for mortgage contracts, consulting on mortgage contracts, lending money or discounting or buying conditional sales contracts, drafts, acceptances, notes or mortgages shall pay a license based on annual gross receipts as follows:

\$0.00 to \$49,999.00 \$350.00

\$50,000.00 and over 350.00

Plus, per \$1,000.00 in excess of \$50,000.00 1.00

(41) *Funeral director.* Each person engaged in business as a funeral director, undertaker or mortician shall pay an annual license tax based on annual gross receipts as follows:

\$0.00 to \$49,999.00 \$250.00

\$50,000.00 and over 250.00

Plus, per \$1,000.00 in excess of \$50,000.00 1.00

This schedule shall include embalming, the sale of caskets, vaults, undertaking supplies and the operation of hearses where the gross receipts from such sales and services are included as one figure, when computing this license.

(42) *Gasoline, retail.* Each person engaged in the business of selling gasoline, including kerosene, at retail or operating a gasoline filling station shall pay an annual license tax as follows:

For the first multiple nozzle dispenser \$100.00

For each additional multiple nozzle dispenser 60.00

For the first single nozzle dispenser 60.00

For each additional single nozzle dispenser 40.00

For each truck used for retail delivery 100.00

This schedule shall not include the sale of any other item or the operation of any other line of business, which shall require separate licensing. Gross receipts from the sale of gasoline shall not be included in the computation of any other license required.

(43) *Gasoline, wholesale.* Each person engaged in the business of selling gasoline or other

petroleum products for resale or delivering gasoline or diesel fuel within the city shall pay an annual license tax based on the number of gallons sold or delivered within the city as follows:

\$0.00 to \$2,999,999.00 \$375.00

\$3,000,000.00 to \$3,999,999.00 500.00

\$4,000,000.00 and over 625.00

Plus, per four million gallons in excess of four million 150.00

(44) *Golf*. Each person engaged in the operation of a golf course, driving range, miniature golf or similar activity shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$24,999.00 \$150.00

\$25,000.00 and over 150.00

Plus, per \$1,000.00 in excess of \$25,000.00 1.00

(45) *Hauling for hire*. Each person engaged in the business of transporting freight, vehicles or any other property for hire within the city shall pay an annual license tax as follows:

For each vehicle \$100.00

(46) *Hospital and/or clinic*. Each person operating a hospital or clinic shall pay an annual license tax as follows:

For the first five beds \$150.00

For each additional bed 10.00

This schedule does not allow for the operation of a restaurant, gift shop, pharmacy (other than for in hospital sales only), classes, etc., which shall be licensed according to each separate schedule of this section as specified.

(47) *Hotel and/or motel*. Each person engaged in the hotel, motel or similar business shall pay an annual license tax as follows:

For the first 25 rooms \$150.00

For each additional room 5.00

This schedule does not include the right to operate a restaurant, barbershop, cigar stand or newsstand, or any other secondary business operated in connection with the renting of rooms without purchasing additional schedules.

(48) *Insurance, fire and marine*. Each person doing business as a fire and marine insurance company shall pay an annual license of \$4.00 on each \$100.00 or major fraction thereof on the gross premiums, less return premiums, on policies issued during the next preceding year on property

located in the city. No credit or deduction of any kind shall be allowed or made on account of the cost of reinsurance by such company in a company not authorized to do business in this state. Each person doing business as a fire and marine insurance company for the first time in the city shall pay a minimum license of \$30.00 on which there shall be an adjustment on the same basis at the expiration of the year.

(49) *Insurance, other.* Each person doing business as an insurance company other than a fire and marine insurance company shall pay an annual license tax of \$50.00 and \$1.00 for each \$100.00, or major fraction thereof, of gross premiums, less return premiums, received during the preceding year on policies issued during such year to citizens or residents of the city. Each person doing business as an insurance company, other than fire and marine, for the first time in the city shall pay a minimum license of \$50.00 on which there shall be an adjustment on this basis at the expiration of the year.

(50) *Laundry and/or dry cleaners.* Each person engaged in the business of operating a laundry, dry cleaners, linen supply service, diaper service or any service of like nature shall pay a license tax on gross annual receipts as follows:

\$0.00 to \$49,999.00 \$250.00

\$50,000.00 and over 250.00

Plus, per \$1,000.00 in excess of \$50,000.00 1.00

(51) *Laundry pickup station.* Each person engaged in the business of collecting laundry and/or dry cleaning only shall pay an annual license tax as follows:

For each location \$50.00

(52) *Laundry, self-service.* Each person engaged in the business of operating a self-service laundry or renting washing machines, dryers or dry cleaning machines shall pay an annual license tax as follows:

For each machine \$6.00

(53) *Manufacturer.* Each person engaged in the business of manufacturing, producing, fabricating, compounding or processing not otherwise specifically licensed shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$49,999.00 \$ 125.00

\$50,000.00 to \$99,999.00 250.00

\$100,000.00 to \$999,999.00 250.00

Plus, per \$1,000.00 in excess of \$100,000.00 1.00

\$1,000,000.00 to \$9,999,999.00 1,150.00

Plus, per \$1,000.00 in excess of \$1,000,000.00 0.50
 \$10,000,000.00 to \$99,999,999.00 5,650.00
 Plus, per \$1,000.00 in excess of \$10,000,000.00 0.25
 \$100,000,000.00 to \$999,999,999.00 28,150.00
 Plus, per \$1,000.00 in excess of \$100,000,000.00 0.14
 \$1,000,000,000.00 to \$9,999,999,999.00 154,150.00
 Plus, per \$1,000.00 in excess of \$1,000,000,000.00 0.07
 \$10,000,000,000.00 and over 784,150.00
 Plus, per \$1,000.00 in excess of \$10,000,000,000.00 0.04

Manufacturers shall be allowed to sell the products that they manufacture at wholesale without the need to obtain a separate license to do so, provided that the gross receipts received therefrom are included in the gross receipts calculations under this schedule, as appropriate.

(54) *Marketing and/or sales representative.* Each person engaged in business as a manufacturing, marketing and/or sales representative, where the product sold is not warehoused within the city and is delivered by common carrier, shall pay a license tax based on annual gross commissions and/or total annual gross operating cost of such office within the city, whichever is greater, as follows:

\$0.00 to \$24,999.00 \$35.00
 \$25,000.00 to and over 35.00
 Plus, per \$1,000.00 in excess of \$25,000.00 1.00

(55) *Mediums.* Each medium, fortuneteller, palmist, clairvoyant crystal gazer, divine healer, spiritual reader or similar profession whether or not any fee is charged directly or indirectly or whether or not any gratuity is accepted shall pay an annual license tax as follows:

For each person so engaged \$1,000.00

(56) *Merchant, retail.* Each person engaged in the business of selling goods, wares or products (not specifically provided for in this license schedule) to others for consumption or use shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$9,999.00 \$ 35.00
 \$10,000.00 to \$19,999.00 65.00
 \$20,000.00 to \$249,999.00 65.00
 Plus, per \$1,000.00 in excess of \$20,000.00 2.00

\$250,000.00 and over 525.00

Plus, per \$1,000.00 in excess of \$250,000.00 1.00

The term "gross receipts" for this schedule shall also include any and all receipts derived from the sale of registration cards, identification cards or any other type card which is required, for entrance into or to be able to purchase from a particular person making any type sales.

(57) *Merchant, retail, sponsor.* Each person engaged in the business of selling goods, wares or products at flea markets, craft shows, art shows and exhibitions may obtain one license from the city clerk-treasurer issued to the person sponsoring or benefiting from the sale or exhibition, upon agreement of such person to account for the entire gross receipts of all vendors otherwise required to be licensed under this schedule participating in the sale or event. Such agreement shall be accompanied by such bond as may be determined by the city clerk-treasurer to be reasonably required for the purpose of assuring payment to the city of all license and sales taxes due to the city. The license fee shall be based on the entire gross receipts of the sale or exhibition as follows:

\$0.00 to \$9,999.00 \$ 35.00

\$10,000.00 to \$19,999.00 65.00

\$20,000.00 to \$249,999.00 65.00

Plus, per \$1,000.00 in excess of \$20,000.00 2.00

\$250,000.00 and over 525.00

Plus, per \$1,000.00 in excess of \$250,000.00 1.00

Where temporary sales of merchandise or services for which a license is required under this section occurs on the premises of an existing licensee of the city, it shall be the duty of the licensee, the owner, and/or person in possession of the premises, knowingly allowing such sales of merchandise or services to allow such sales only upon presentation of proof from the person sponsoring the temporary sale that a valid and existing license has been issued by the city clerk-treasurer permitting the sale. Each seller of merchandise or services required to be licensed for a temporary sale under this section shall display at the place of sale, at a place viewable by the public, an appropriate license issued by the city clerk-treasurer, indicating on the license the dates, aggregating not more than 29 days, during which the license is valid. Where the license is issued to the sponsoring organization or beneficiary, the city clerk-treasurer can deliver a separate license showing the same identification number and dates for each separate seller. No such license shall be valid for more than one location or event.

It is further provided that where a bona fide nonprofit, educational, or civic organization is eligible for an exemption as provided in sections 15-37, 15-38 and 15-41, a license will be issued to such organization upon payment of the issuance fee only.

The term "gross receipts" for this schedule shall also include any and all receipts derived from the sale of registration cards, identification cards, or any other type card which is required for

entrance into or to be able to purchase from a particular person making any type sales.

(58) *Merchant, wholesale.* Each person engaged in the business of selling goods, wares or products (not specifically provided for in this license schedule) to others for resale who has a physical presence within the city shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$24,999.00 \$65.00

\$25,000.00 to \$49,999.00 100.00

\$50,000.00 to \$99,999.00 200.00

\$100,000.00 to \$149,999.00 300.00

\$150,000.00 to \$199,999.00 400.00

\$200,000.00 and over 400.00

Plus, per \$1,000.00 in excess of \$200,000.00 \$1.00

(59) *Miscellaneous.* Each person who shall, in any capacity engage in or transact any business, commercial occupation, profession, trade or vocation for which no other license is specifically required by this section shall pay a license tax based on annual gross receipts or total annual gross cost of operation within the city, whichever is greater, as follows:

\$0.00 to \$9,999.00 \$35.00

\$10,000.00 and over 35.00

Plus, per \$1,000.00 in excess of \$10,000.00 1.00

(60) *Motor carrier, airplane terminals.*

(a) Each person engaged in the business of maintaining or operating a motor bus terminal or operating any terminal or station facilities for transportation of passengers, property or express transported by motor carrier and each person operating any motor carrier which does business in the city by receiving passengers or freight for transportation for hire between the city and another point in Alabama shall pay a license tax as follows:

Each carrier \$200.00

(b) Each person engaged in the business of maintaining or operating a terminal for transportation of passengers, property or express transported by airplane shall pay a license tax as follows:

Each carrier \$200.00

(61) *Newspapers, local.* Each person publishing or distributing newspapers which are printed or published within the city shall pay a license tax based on gross receipts as follows:

\$0.00 to \$49,999.00 \$250.00

\$50,000.00 and over 250.00

Plus, per \$1,000.00 in excess of \$50,000.00 1.00

Gross receipts for this schedule shall include all revenues received from sales of newspapers, advertising, and other goods or services.

(62) *Newspapers, out-of-town.* Each person distributing or delivering newspapers published outside of the city shall pay an annual license tax as follows:

Each \$100.00

(63) *Parking lot.* Each person engaged in the business of storing or parking automobiles or other vehicles shall pay a license tax as follows:

For the first 25 spaces \$100.00

For each additional space 5.00

(64) *Pawnbroker.* Each person engaged in business as a pawnbroker shall pay a license based on annual gross interest receipts as follows:

\$0.00 to \$19,999.00 \$200.00

\$20,000.00 and over 200.00

Plus, per \$1,000.00 in excess of \$20,000.00 1.00

It shall also be required that any person accepting vehicles on pawn must also purchase a license according to the automotive dealer, used schedule (schedule (4)), to be able to sell those vehicles not taken out of pawn by the owner of the vehicle, and/or a merchant, retail schedule (schedule (56)) must also be purchased to be able to sell, those other items not taken out of pawn by the owners.

(65) *Pistols and/or other weapons.* Each person engaged in the business as a dealer in guns, pistols, revolvers, rifles, shotguns, explosives, Bowie knives, dirks or other weapons shall pay a license fee based on annual gross receipts as follows:

\$0.00 to \$19,999.00 \$200.00

\$20,000.00 and over 200.00

Plus, per \$1,000.00 in excess of \$20,000.00 1.00

(66) *Precious metals, stones.* Each person engaged in the business of purchasing precious metals or precious stones, including gold, silver, platinum, pearls, diamonds, rubies and other precious stones, and any ornament or item made from or containing gold, silver or platinum on which is set or displayed pearls, diamonds, rubies or other precious stones from the public shall pay an annual license tax as follows:

Each \$200.00

Any person purchasing a license according to this schedule shall also be required to purchase a merchant, retail schedule (schedule (56)) or a merchant, wholesale schedule (schedule (58)) to cover the sale of these items.

(67) *Profession and vocation.* Each person or member of a firm, partnership, professional corporation or association engaged in any practice, vocation or profession shall pay a license tax based on his gross annual receipts as follows:

\$0.00 to \$4,999.00 \$ 65.00

\$5,000.00 to \$9,999.00 95.00

\$10,000.00 to \$24,999.00 160.00

\$25,000.00 to \$49,999.00 250.00

\$50,000.00 to \$99,999.00 345.00

\$100,000.00 to \$149,999.00 440.00

\$150,000.00 to \$199,999.00 535.00

\$200,000.00 to \$249,999.00 625.00

\$250,000.00 and over 625.00

Plus, per \$1,000.00 in excess of \$250,000.00 1.00

Where the licensed entity is a partnership, the gross receipts of each partner will be determined according to the partnership agreement by allocating to each partner gross receipts in the same proportion as the profits distributed to that partner. Where the entity licensed is a corporation, the records and accounts of the corporation owned by each professional practitioner and the license of each practitioner shall be determined according to his percentage of ownership.

Persons who are primarily performing such services as are described in contractor, subcontractor—engineering, research or manufacturing of this section shall be exempt from a license if a contractor, subcontractor—engineering, research or manufacturing license is lawfully obtained by such person.

(68) *Radio and television broadcasting stations.* Each person who solicits advertising for radio or television broadcasting stations or companies shall pay an annual license tax based on annual gross receipts as follows:

\$0.00 to \$49,000.00 \$190.00

\$50,000.00 and over 190.00

Plus, per \$1,000.00 in excess of \$50,000.00 0.50

This license shall not apply to that portion of the business that may be interstate or foreign commerce or to business with the government of the United States of America.

(69) *Railroads*. Each person engaged in the business of operating a railroad or railway train for transportation of freight and/or passengers, to and from other points in the state and having an office or place of business in the city shall pay a license fee as follows:

Each \$2,000.00

(70) *Real estate agency, brokers*. Each person engaged in the business of buying, selling or exchanging real estate on commission shall pay a license fee based on annual gross receipts as follows:

\$0.00 to \$4,999.00 \$ 65.00

\$5,000.00 to \$9,999.00 95.00

\$10,000.00 to \$24,999.00 160.00

\$25,000.00 to \$49,999.00 250.00

\$50,000.00 to \$99,999.00 345.00

\$100,000.00 to \$149,999.00 440.00

\$150,000.00 to \$199,999.00 535.00

\$200,000.00 to \$249,999.00 625.00

\$250,000.00 and over 625.00

Plus, per \$1,000.00 in excess of \$250,000.00 1.00

(71) *Registration card/coupon*. Each person engaged in the business of issuing, selling or leasing to merchants or others, trading stamps, registration cards, coupons, certificates or anything of like character, which are redeemable or which will be accepted in full or partial payment or in exchange, shall pay an annual license tax based on gross receipts as follows:

\$0.00 to \$99,999.00 \$625.00

\$100,000.00 and over 625.00

Plus, per \$1,000.00 in excess of \$100,000.00 1.00

Gross annual receipts means and includes the full amount received from merchants and all others giving, using or issuing such trading stamps, registration cards, coupons, certificates or anything of like character.

(72) *Renting and/or leasing*. Each person engaged in the business of renting or leasing real or personal property to others, including, but not limited to, apartments, office space, buildings, houses,

furniture and equipment, shall pay a license tax based on gross receipts as follows:

\$0.00 to \$9,999.00 \$ 35.00

\$10,000.00 to \$99,999.00 35.00

Plus, per \$1,000.00 in excess of \$10,000.00 1.00

\$100,000.00 and over 125.00

Plus, per \$1,000.00 in excess of \$100,000.00 0.50

Any person receiving less than \$10,000.00 annually from the rental of residential real estate (this does not include commercial real estate) shall not be considered as engaged in the business of renting and/or leasing and shall be exempt from this license tax.

(73) *Repairs.* Each person engaged in the business of repairing, installing, improving or servicing property which belongs to others shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$4,999.00 \$35.00

\$5,000.00 to \$9,999.00 65.00

\$10,000.00 to \$24,999.00 95.00

\$25,000.00 and over 95.00

Plus, per \$1,000.00 in excess of \$25,000.00 1.00

Any person engaged in the business of repairing, installing, improving or servicing real estate shall be considered a contractor and shall be required to purchase a license as such is defined in this article.

(74) *Restaurant, cafe, cafeteria.* Each person engaged in the business of conducting a restaurant, cafe, cafeteria, catering service, lunch counter, soda fountain or public place where meals, food or refreshments are prepared, furnished or served, or where a food permit is required by the county health department, shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$24,999.00 \$ 65.00

\$25,000.00 to \$249,999.00 65.00

Plus, per \$1,000.00 in excess of \$25,000.00 1.75

\$250,000.00 to \$499,999.00 458.75

Plus, per \$1,000.00 in excess of \$250,000.00 1.25

\$500,000.00 and over 771.25

Plus, per \$1,000.00 in excess of \$500,000.00 1.00

(75) *Retirement home.* Each person engaged in the business of operating a retirement home, rest home, nursing home, sanitarium, etc., shall pay a license fee as follows:

For the first five beds \$100.00

For each additional bed 5.00

This shall not cover retail sales, operation of food service type facilities, pharmacy, beauty shop, etc.

(76) *Schools.* Each person engaged in the business of conducting a school, college, kindergarten, nursery, day care, teaching classes in any manner or conducting seminars shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$24,999.00 \$65.00

\$25,000.00 and over 65.00

Plus, per \$1,000.00 in excess of \$25,000.00 1.00

Any person conducting a kindergarten, nursery or day care facility enrolling six or less children shall be exempt from this license tax.

This license tax shall not apply to schools operated by the state, county, city or churches, or other nonprofit organizations who hold a certificate issued by the Internal Revenue Service under Internal Revenue Code, section 501(a), as an organization described in section 501(c)(3).

(77) *Service.* Each person engaged in the business of performing any service not regarded as a profession or vocation shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$4,999.00 \$35.00

\$5,000.00 to \$9,999.00 65.00

\$10,000.00 to \$24,999.00 95.00

\$25,000.00 and over 95.00

Plus, per \$1,000.00 in excess of \$25,000.00 1.00

(78) *Shooting gallery.* Each person engaged in the business of operating a shooting gallery, pistol or rifle range, etc., shall pay a license tax based on gross receipts as follows:

\$0.00 to \$24,999.00 \$150.00

25,000.00 and over 150.00

Plus, per \$1,000.00 in excess of \$25,000.00 1.00

Any person engaged in this business must also have written permission from the police

department.

(79) *Skating rink.* Each person engaged in the business of operating a skating rink shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$24,999.00 \$125.00

\$25,000.00 and over 125.00

Plus, per \$1,000.00 in excess of \$25,000.00 1.00

(80) *Taxicab.* Any person engaged in the business of operating automobiles or other motor vehicles for hire commonly called and known as taxicabs or limousines shall pay an annual license tax as follows:

For each vehicle so operated \$125.00

Taxicabs must also comply with chapter 8, article IV before any license will be issued.

(81) *Telegraph company.* Each person engaged in the business of sending or receiving telegraphic messages to and from points within the state shall pay a license tax as follows:

Annually \$750.00

(82) *Telephone company, local.* Each person engaged in the business of operating a telephone exchange within the city shall pay a license tax as follows:

Annually \$1,110.00

Plus the sum of \$60.00 for each additional 1,000 inhabitants according to the last federal census.

(83) *Telephone company, long distance.* Each person engaged in the business of operating a long distance telephone system between the city and intrastate points shall pay a license tax as follows:

Annually \$278.00

Plus \$15.00 for each 1,000 inhabitants in the city in excess of 20,000 inhabitants according to the last federal census.

It is not the purpose of this schedule to tax interstate or foreign messages or any United States government business.

(84) *Telephone solicitation.* Each person engaged in the business of making solicitations, where the telephone is used as the primary means of solicitation, shall pay a license tax on gross receipts as follows:

\$0.00 to \$19,999.00 \$625.00

\$20,000.00 and over 625.00

Plus, per \$1,000.00 in excess of \$20,000.00 1.00

(85) *Television (cable or multichannel video services), franchise holders.* Each person holding a franchise or other similar use agreement from the city to use the public rights-of-way to provide cable or multichannel video services locally shall pay a license tax of:

Each business \$100.00

(86) *Theaters or motion picture shows.* Each person in the business of operating a theater, motion picture show, or theatrical theater where general admission is charged shall pay a license tax based on gross receipts as follows:

\$0.00 to \$19,999.00 \$65.00

\$20,000.00 and over 65.00

Plus, per \$1,000.00 in excess of \$20,000.00 1.00

A separate license must be purchased for the sales of merchandise, advertising, operation of a snack bar, amusement machines or any other secondary operations.

(87) *Trailer/mobile home parks.* Each person engaged in the operation of a camp, lot, park or other place in which are parked or stationed house trailers, recreational vehicles, tents, etc., which house trailers, recreational vehicles, tents, etc., are used as a place of abode shall pay an annual license tax as follows:

For the first 10 spaces \$60.00

For each additional space 6.00

(88) *Warehouse.* Each person engaged in the business of warehousing or storage of merchandise, including cotton, household goods, and other freight or commodities shall pay a license tax based on annual gross receipts as follows:

\$0.00 to \$9,999.00 \$65.00

\$10,000.00 and over 65.00

Plus, per \$1,000.00 in excess of \$10,000.00 1.00

(89) *Waste grease collection.* Each person engaged in the business of purchasing and receiving or collecting waste grease and animal byproducts for rendering or recycling, from businesses, schools and institutions located in various cities of the state, shall pay the following annual license tax:

In cities of over 100,000 population \$50.00

(90) *Reserved.*

(91) *Reserved.*

(92) *Natural gas companies/utilities or marketers.*

a. Each person, firm or corporation engaged in the business of selling, distributing or delivering natural gas in the city for any purpose whatsoever shall first obtain a license to do so and shall keep the license current at all times by payment of the license fee described herein. The license fee shall be payable monthly in an amount equal to three percent of the gross receipts of the business transacted by such person, firm or corporation in the city from the sale, distribution or delivery of such gas from any point in, into or for consumption within the city for the preceding calendar month. Said license fee shall be paid on or before the fifth day of the month following the month of business. The gross receipts from said sales, distribution or delivery shall specifically include all brokerage fees, reconnection fees and any other fee or service charge imposed and collected by the person, firm or corporation. In addition thereto, the person, firm or corporation engaged in the business of selling, distributing or delivering natural gas shall also be required to pay a license tax based on all other activities incidental to its operations, but which do not involve the sale, distribution or delivery of gas, to the same extent as all other like businesses.

b. The license tax imposed hereinabove shall not apply to the City of Huntsville d/b/a Huntsville Utilities, which is paying to the city six percent of its gross receipts from the sale of gas.

(93) to (96) *Reserved.*

Sec. 15-86. North American Industrial Classification System (NAICS).

Every taxpayer required to purchase a business license under this chapter shall: (1) Purchase a business license for each location at which it does business in the city. (2) Except as provided in Code of Ala. § 11-51-193, with respect to taxpayers subject to state licensing board oversight, be classified into one or more of the following 2002 North American Industrial Classification System ("NAICS") sector and applicable sub-sectors, industry groups, industries and U. S. Industries thereunder:

NAICS TITLE	SECTOR
BASIS FOR LICENSE	

CALCULATION

111XXX	Crop production	Gross receipts
112XXX	Animal production	Gross receipts
113XXX	Forestry and logging	Gross receipts
114XXX	Fishing, hunting, and trapping	Gross receipts
115XXX	Support for agriculture and forestry	Gross receipts
211XXX	Oil and gas extraction	State regulated
212XXX	Mining (except oil and gas)	

Gross receipts

where not state regulated		
213XXX	Support for mining activities	State regulated
221XXX	Utilities	State regulated
236XXX	Building Developing and general	Gross receipts

	contracting	
237XXX	Heavy Construction	Gross receipts
238XXX	Special trade contractors	Gross receipts
311XXX	Food manufacturing	Gross receipts
312XXX	Beverage and tobacco manufacturing	Gross receipts
313XXX	Textile mills	Gross receipts
314XXX	Textile product mills	Gross receipts
315XXX	Apparel manufacturing	Gross receipts
316XXX	Leather and allied product manufacturing	Gross receipts
321XXX	Wood products manufacturing	Gross receipts
322XXX	Paper manufacturing	Gross receipts
323XXX	Printing and related support activities	Gross receipts
324XXX	Petroleum and coal products manufacturing	Gross receipts
325XXX	Chemical manufacturing	Gross receipts
326XXX	Plastics and rubber products manufacturing	Gross receipts
327XXX	Nonmetallic mineral product manufacturing	Gross receipts
331XXX	Primary metal manufacturing	Gross receipts
332XXX	Fabricated metal product manufacturing	Gross receipts
333XXX	Machinery manufacturing	Gross receipts
334XXX	Computer and electronic products manufacturing	Gross receipts
335XXX	Electrical equipment manufacturing	Gross receipts
336XXX	Transportation equipment manufacturing	Gross receipts
337XXX	Furniture and related products manufacturing	Gross receipts
339XXX	Miscellaneous manufacturing	Gross receipts
421XXX	Wholesale trade, durable goods	Gross receipts
422XXX	Wholesale trade, nondurable goods	Gross receipts
441XXX	Motor vehicle and parts dealer	Gross receipts
442XXX	Furniture and home furnishing stores	Gross receipts
443XXX	Electronics and appliance stores	Gross receipts
444XXX	Building material and gardening equipment dealers	Gross receipts
445XXX	Food and beverage stores	Gross receipts where not state-regulated
446XXX	Health and personal care stores	Gross receipts
447XXX	Gasoline stations	Gross receipts and/or flat rate
448XXX	Clothing and accessories stores	Gross receipts
451XXX	Sporting goods, hobby, book, music	Gross receipts
452XXX	General merchandise	Gross receipts
453XXX	Miscellaneous store retailers	Gross Receipts
454XXX	Non-store retailers	Gross receipts
481XXX	Air transportation	Gross receipts where not state-regulated
482XXX	Rail transportation	State regulated
483XXX	Water transportation	Gross receipts where not state-regulated
484XXX	Truck transportation	State regulated
485XXX	Transit and ground passenger transportation	Gross receipts where not state regulated and/or flat rate
487XXX	Scenic and sightseeing transportation	Gross receipts
492XXX	Couriers and messengers	Gross receipts, and/or flat rate
493XXX	Warehousing and storage	Gross receipts, and/or flat rate
511XXX	Publishing industries (except Internet)	Gross receipts
512XXX	Motion picture and sound recording industry	Gross receipts
515XXX	Broadcasting (except Internet)	Gross receipts where not state regulated
516XXX	Internet publishing and broadcasting	Gross receipts where not state regulated

517XXX	Telecommunication	Gross receipts where not state regulated
519XXX	Information services and data processing	Gross receipts
522XXX	Credit intermediation and related activities	Gross Receipts
523XXX	Securities, commodity, other financial products	Gross receipts where not state regulated
524XXX	Insurance carriers and related activities	State regulated
525XXX	Funds, trusts, other financial vehicles	Gross receipts where not state regulated
531XXX	Real estate	Gross receipts where not state regulated
532XXX	Rental and leasing services	Gross receipts and/or flat rate
541XXX	Professions scientific, technical, services	Gross receipts
551XXX	Management of companies and enterprises	Gross receipts where not state regulated
561XXX	Administration and support services	Gross receipts where not state regulated
562XXX	Waste management and remediation services	Gross receipts where not state regulated
611XXX	Educational services	Gross receipts where not state regulated
621XXX	Ambulatory health care services	Gross receipts
622XXX	Hospitals	Gross receipts and/or flat rate
623XXX	Nursing and residential care facilities	Gross receipts and/or flat rate
624XXX	Social assistance	Gross receipts where not state regulated
711XXX	Performing arts, spectator sports	Gross receipts and/or flat rate
712XXX	Museums, historical sites	Gross receipts
713XXX	Amusement, gambling, and related	Gross receipts and/or flat rate where not state regulated
721XXX	Accommodations	Gross receipts and/or flat rate
722XXX	Food services and drinking places	Gross receipts and/or flat rate where not state regulated
811XXX	Repair and maintenance	Gross receipts
812XXX	Personal and laundry services	Gross receipts
910XXX	Category for:	Gross receipts and/or flat rate
923XXX	Administration of human resources programs	Gross receipts where applicable
924XXX	Administration of environmental quality programs	Gross receipts where applicable
925XXX	Administration of housing, urban comm.	Gross receipts where applicable
926XXX	Administration of economic programs	Gross receipts where applicable
927XXX	Space research and technology	Gross receipts where applicable
928XXX	National security and international affairs	Gross receipts where applicable

Secs. 15-87—15-90. Reserved.

SECTION 3. Chapter 15, Article III of the City Code is hereby amended as follows:

ARTICLE III. SALES, USE, RENTAL, AND LODGING TAXES

DIVISION 1. GENERALLY.

Sec. 15-91. Definitions.

The following words, terms, and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning. Except as may be otherwise provided in this section or where the context clearly indicates a different meaning or where inapplicable, all words, terms, and phrases used in this article that are defined in the corresponding state tax laws shall have the meanings ascribed to them therein.

City means the city of Huntsville, Alabama, and, where appropriate, shall be substituted for the terms “agency”, “department”, “department of revenue”, “state”, “state of Alabama”, and other similar terms relative to the taxing authority, as such terms appear in the corresponding state tax laws.

City taxes mean the sales, use, rental, and lodging taxes levied or assessed by the city against a city taxpayer under this article, and, where appropriate, shall be substituted for the corresponding terms in the corresponding state tax laws.

City taxpayer means any person liable to the city for taxes levied or assessed under this article and, where appropriate, the term shall be substituted for the term taxpayer as such term appears in the corresponding state tax laws.

Corresponding state tax laws mean state tax laws that apply to the administration of state taxes and which laws the city is required to apply in the administration of city taxes under the LTSA, including all definitions, exceptions, exemptions, proceedings, requirements, provisions, rules and regulations promulgated under the Alabama Administrative Procedures Act, direct pay permit and drive-out certificate procedures, statutes of limitations, penalties, fines, punishments, and deductions for the corresponding state tax, except for those provisions relating to the tax rate, except where inapplicable or where otherwise provided in the LTSA.

Local Tax Simplification Act or *LTSA* means the Local Tax Simplification Act of 1998, 1998 Alabama Laws Act 98-192, as such may be superseded or amended from time to time.

Lodging tax means the taxes levied by the state under Title 40, Chapter 26 of the Code of Ala. 1975, and the corresponding tax levied by the city under division 5 of this article.

Rental tax means the taxes levied by the state under Title 40, Chapter 12, Article 4 of the Code of Ala. 1975, and the corresponding tax levied by the city under division 4 of this article.

Sales tax means the taxes levied by the state under Title 40, Chapter 23, Article 1 of the Code of Ala. 1975, and the corresponding tax levied by the city under division 2 of this article.

State taxes mean the state’s sales, use, rental, and lodging taxes.

Use tax means the taxes levied by the state under Title 40, Chapter 23, Article 2 of the Code of Ala. 1975, and the corresponding tax levied by the city under division 3 of this article.

Sec. 15-92. Purpose; conformance with state tax laws; administration of taxes.

(a) *Conformance with LTSA; incorporation of corresponding state tax laws.* In accordance with the Local Tax Simplification Act, all city taxes levied under this article shall parallel the corresponding state levy except for the rate of tax and shall be subject to corresponding state tax laws, which laws are incorporated herein by reference and adopted in the city's administration of city taxes, and shall be included whenever reference is made to this article.

(b) *Venue.* Notwithstanding anything contained in this article to the contrary, the adoption by reference of corresponding state tax laws, or the statement of conformance therewith, does not include venue of tax appeals to the circuit court under this article unless applicable state law requires otherwise. To the extent applicable state law does not dictate venue to self-administering municipalities, the appropriate venue for appeals to the circuit court under this article shall be in the Circuit Court of Madison County, Alabama.

Sec. 15-93. License required; general provisions not affected.

(a) The city taxes levied under this article shall be additional to and cumulative of all amounts required to be paid under this chapter, except as otherwise specifically provided for in this chapter, and nothing herein shall be construed to repeal any provisions of the general privilege or business license code of the city and the requirement for licensing thereunder.

(b) No provision of this article shall be construed as relieving any person from the payment of any tax imposed by law.

Sec. 15-94. Penalties, etc.

(a) *State tax laws to apply, generally.*

(1) All violations of state tax laws and penalties, fines, and punishments imposed upon any person, including a taxpayer, under the state tax laws for such violations are hereby made applicable in the administration of city taxes to the extent the LTSA requires or authorizes such application.

(2) Compliance responsibilities or duties imposed on any person, including a taxpayer, by state tax laws, including those related to records, reports, returns, filings, payments, and tax preparation, are hereby adopted to be responsibilities or duties of persons, including city taxpayers, that are subject to this article.

(b) *Specific penalties.* Without limiting the generality of the foregoing subsection (a), the following shall constitute violations of this article:

(1) *Penalty for failure to make reports or keep records.* Any person subject to the provisions of this article who shall fail to make the reports or any of them, as herein required, or who shall fail to keep the records as herein required, shall be guilty of a violation of this article, and upon conviction shall be fined not less than \$25 nor more than \$500 for each offense. Each month of such failure shall constitute a separate offense.

(2) *Penalty for willful refusal to make reports or permit examination of records.*

Any person subject to the provisions of this article willfully refusing to make the reports herein required, or who shall refuse to permit the examination of his records by the city tax administrator, which includes his delegate, shall be guilty of a violation of this article, and upon conviction shall be fined not less than \$50 nor more than \$500 for each offense, and in addition may be imprisoned in the city jail for a period not to exceed six (6) months. Each month of failure to make such reports shall constitute a separate offense, and each refusal of a written demand of the city to examine, inspect, or audit such records shall constitute a separate offense.

(c) *Violation of article.* Where not otherwise provided for under this article, including state tax laws incorporated herein by reference, any person violating any of the provisions of this article shall, on conviction, shall be fined not less than \$50 nor more than \$500 for each offense, and in addition may be imprisoned in the city jail for a period not to exceed six (6) months. Each day that a violation occurs shall constitute a separate offense.

(d) *Violator may be restrained from continuing in business.* Any city taxpayer who shall violate any of the provisions of this article may be restrained from continuing in business, and the proper prosecution shall be instituted in the name of the city by its attorney, until such person shall have complied with the provisions of this article.

(e) *Reports under oath.* Wherever in the state tax laws a report is required to be sworn to, the same, as it relates to city taxes, shall be sworn to by the city taxpayer or his agent before some officer authorized to administer oaths, and any false statement to a material fact made with intent to defraud shall constitute perjury, and upon conviction thereof, the person so convicted shall be punished as provided by law.

(f) *Lien for taxes.* The city shall have a lien for the city taxes as such lien may be provided for or authorized by state law, rule, or regulations.

Sec. 15-95. Filing of electronic returns.

(a) *Purpose.* The purpose of this section is to authorize the city tax administrator to accept tax returns filed in electronic commerce without violating other ordinances originally drafted for the use of paper returns submitted either personally or through the mail; to require the filing of certain returns electronically; and, to require the payment of certain returns electronically.

(b) *Electronic filing acceptance.*

(1) The city tax administrator shall have the authority to accept electronically filed returns or other documents of any type which meet the requirements of applicable state laws and city laws, rules, or regulations adopted under the authority state laws including this article. Electronically filed returns may be accepted if submitted directly by the taxpayer, or by any entity authorized by the city or the Alabama Department of Revenue.

(2) The city tax administrator is authorized to accept electronically filed returns and payments for the city taxes levied under this article III.

(3) Electronically filed returns may be accepted if submitted by the taxpayer to any entity authorized by the city to accept such submissions.

(c) *Electronic filing required.* After receiving notice from the city tax administrator, a taxpayer registered to file a sales tax, use tax, rental tax, or lodgings tax return electronically with the State of Alabama shall file all city sales tax, use tax, rental tax, and lodgings tax returns electronically with the city.

(d) *Electronic payment required.* After receiving notice from the city tax administrator, a taxpayer that is required to file a return electronically and that is required to make a payment of \$750 or more with such return shall make the payment electronically to the city. After the \$750 threshold is met for the first payment, all subsequent payments required with electronically filed returns must be made electronically regardless of the amount.

(e) *Electronic filing return and signature requirements.*

(1) *Electronic filing return.* The tax return consists of the electronic transmission and electronic data, and any and all supporting documentation as required by regulation.

(2) *Electronic filing signature requirements.* Electronic filing signature requirements shall be as prescribed by applicable state laws.

(f) *Due date for filing electronic returns.* The due date for filing electronic returns for the city taxes levied under this article III shall be the same due date applicable to the electronic payment of the taxes reported on the return. The date and time the taxpayer files the tax return through the Alabama Department of Revenue's electronic filing system shall be the date and time used to determine timely filing of an electronic return.

Secs. 15-96—15-107. Reserved

DIVISION 2 SALES TAXES

Sec. 15-108. Sales tax authorized.

There is hereby levied, in addition to all other taxes of every kind now imposed by law, and shall be collected as herein provided, a privilege or license tax against the person on account of the business activities and in the amount to be determined by the application of rates against gross sales, or gross receipts, as the case may be, as follows:

(1) Upon every person, firm, or corporation, (including the State of Alabama, the University of Alabama, Auburn University and all other institutions of higher learning in the state, whether such institutions be denominational, state, county, or municipal institutions, and any association or other agency or instrumentality of such institutions) engaged or continuing within the city, in the business of selling at retail any tangible personal property whatsoever, including merchandise and commodities of every kind and character, (not including, however, bonds or other evidences of debts or stocks, nor sales of material and supplies to any person for use in fulfilling a contract for the painting, repair, or reconditioning of vessels, barges, ships and other watercraft and commercial fishing vessels of over five (5) tons load displacement as registered with the U. S. Coast Guard and licensed by the State of Alabama Department of Conservation and Natural Resources), an amount equal to three and one-half percent (3 ½ %) of the gross proceeds of sales of the business except where a different amount is expressly provided herein. Provided, however, that any person engaging or continuing in business as a retailer and wholesaler or jobber shall pay the tax required on the gross proceeds of retail sales of such business at the rates specified, when his books are kept so as to show separately the gross proceeds of sales of each business, and when his books are not so kept he shall pay the tax as a retailer, on the gross sales of the business.

Where any used part including tires of an automotive vehicle or a truck trailer, semitrailer, or house trailer is taken in trade, or in a series of trades, as a credit or part payment on the sale of a new or rebuilt part or tire, the tax levied herein shall be paid on the net difference, that is, the price of the new or used part or tire sold less the credit for the used part or tire taken in trade, provided however, this provision shall not be construed to include batteries.

(2) Upon every person, firm or corporation engaged or continuing within the city in the business of conducting or operating places of amusement or entertainment, billiard and pool rooms, bowling alleys, amusement devices, musical devices, theaters, opera houses, moving picture shows, vaudevilles, amusement parks, athletic contests, including wrestling matches, prize fights, boxing and wrestling exhibitions, football and baseball games, (including athletic contests, conducted by or under the auspices of any educational institution within the city, or any athletic association thereof, or other association whether such institution or association be a denominational, a state, or county, or a municipal institution, or association or a state, county, or city school, or other institution, association or school), skating rinks, race tracks, golf courses, or any other place at which any exhibition, display, amusement or entertainment is offered to the public or place or places where an admission fee is charged, including public bathing places, public dance halls of every kind and description within the city, an amount equal to three and one-half percent (3 ½ %) of the gross receipts of any such business. Provided, however, notwithstanding any language to the contrary in the prior portion of this subsection, the tax provisions so specified shall not apply to any athletic event conducted by a public or nonpublic primary or secondary school or any athletic event conducted by or under the auspices of the Alabama High School Athletic Association. The tax amount which would have been collected pursuant to this subsection shall continue to be collected by said public or nonpublic primary or secondary school but

shall be retained by the school which collected it and shall be used by said school for school purposes. This subsection does not apply to ticket sales from co-promotion agreements entered into by the Von Braun Center for events to be held at the Von Braun Center.

(3) Upon every person, firm or corporation engaged or continuing within the city in the business of selling at retail machines used in mining, quarrying, compounding, processing, and manufacturing of tangible personal property, an amount equal to zero percent (0%) of the gross proceeds of the sale of machines. The term "machine," as herein used, shall include machinery which is used for mining, quarrying, compounding, processing, or manufacturing tangible personal property, and the parts of such machines, attachments and replacements therefor, which are made or manufactured for use on or in the operation of the machines and which are necessary to the operation of the machines and are customarily so used.

(4) Upon every person, firm, or corporation engaged or continuing within the city in the business of selling at retail any automotive vehicle or truck trailer, semitrailer, house trailer, or mobile home set-up materials and supplies including but not limited to steps, blocks, anchoring, cable pipes, and any other materials pertaining thereto an amount equal to one and three-fourths percent (1 ¾ %) of the gross proceeds of sale of said automotive vehicle or truck trailer, semitrailer, house trailer, or mobile home set-up materials and supplies provided, however, where a person subject to the tax provided for in this subsection withdraws from his stock in trade any automotive vehicle or truck trailer, semitrailer, or house trailer for use by him or by his employee or agent in the operation of such business, there shall be paid, in lieu of the tax levied herein, a fee of five dollars (\$5) per year or part thereof during which such automotive vehicle, truck trailer, semitrailer or house trailer shall remain the property of the person. Each such year or part thereof shall begin with the day or anniversary date, as the case may be, of such withdrawal and shall run for the twelve (12) succeeding months or part thereof during which the automotive vehicle, truck trailer, semitrailer, or house trailer shall remain the property of the person.

Where any used automotive vehicle or truck trailer, semitrailer, or house trailer is taken in trade or in a series of trades, as a credit or part payment on the sale of a new or used vehicle, the tax levied herein shall be paid on the net difference, that is, the price of the new or used vehicle sold less the credit for the used vehicle taken in trade.

(5) Upon every person, firm or corporation engaged or continuing within the city in the business of selling at retail any machine, machinery or equipment which is used in planting, cultivating and harvesting farm products, or used in connection with the production of agricultural produce or products, livestock or poultry on farms, and the parts of such machines, machinery or equipment, attachments and replacements therefor which are made or manufactured for use on or in the operation of such machine, machinery or equipment, and which are necessary to and customarily used in the operation of such machine, machinery or equipment, an amount equal to zero percent (0%) of the gross proceeds of the sale thereof. Provided, however, the zero percent (0%) rate herein prescribed with respect to parts, attachments, and replacements shall not apply to any automotive vehicle or trailer designed primarily for public highway use, except farm trailers used primarily in the production and harvesting of agricultural commodities.

Where any used machine, machinery or equipment which is used in planting, cultivating, and harvesting farm products, or used in connection with the production of agricultural produce or products, livestock and poultry on farms is taken in trade or in a series of trades as a credit or part payment on a sale of a new or used machine, machinery or equipment, the tax levied herein shall be paid on the net difference, that is, the price of the new or used machine, machinery or equipment sold, less the credit for the used machine, machinery or equipment taken in trade.

(6) Upon every person, firm, or corporation engaged or continuing within the city in the business of selling through coin-operated dispensing machines, food and food products for human consumption, not including beverages other than coffee, milk, milk products and substitutes therefor, there is levied a tax equal to three and one-half percent (3 1/2%) of the cost of the food, food products, and beverages sold through the machines, which cost for the purpose of this subsection shall be the gross proceeds of sales of the business.

Sec. 15-109. Disposition of sales and use taxes.

(a) Sales and use tax revenue of the city, as determined pursuant to generally accepted accounting principles, will be accounted for in the general fund of the city.

(b) The council, for fiscal year 2011 and subsequently, designates that 23.1 percent of sales and use tax revenue be appropriated from the general fund to the capital improvement fund of the city each fiscal year, and further directs that such appropriation be paid into an account that is separate from accounts maintained in the capital improvement fund for restricted revenues. The city shall expend such appropriation for capital improvements consistent with the city's capital improvement plan.

(c) The council, for fiscal years 2011 and subsequently, designates that 14.7 percent of sales and use tax revenue be appropriated from the general fund to the city board of education each fiscal year, and further directs that such appropriation be paid directly to the city board of education on a monthly basis.

Secs. 15-110—15-115. Reserved.

DIVISION 3. USE TAX

Sec. 15-116. Property taxed; persons liable.

(a) An excise tax is hereby imposed on the storage, use or other consumption in the city of tangible personal property, not including, however, materials and supplies bought for use in fulfilling a contract for the painting, repairing, or reconditioning of vessels, barges, ships, and other watercraft and commercial fishing vessels of over five (5) tons load displacement as registered with the U. S. Coast Guard and licensed by the State of Alabama Department of Conservation and Natural Resources, purchased at retail on or after the effective date of this ordinance for storage, use or other consumption in the city, except as provided in subsections (b), (c), and (f), at the rate of three and one-half percent (3 ½ %) of the sales price of such property within the corporate limits of the city.

(b) An excise tax is hereby imposed on the storage, use or other consumption in the city of any machines used in mining, quarrying, compounding, processing, and manufacturing of tangible personal property purchased at retail on or after the effective date of this ordinance at the rate of zero percent (0%) of the sales price of any such machine; provided, that the term "machine" as herein used, shall include machinery which is used for mining, quarrying, compounding, processing, or manufacturing tangible personal property, and the parts of such machines, attachments and replacements therefor, which are made or manufactured for use on or in the operation of such machines and which are necessary to the operation of such machines and are customarily so used.

(c) An excise tax is hereby imposed on the storage, use or other consumption in the city on any automotive vehicle or truck trailer, semitrailer, house trailer, and mobile home set-up materials and supplies including but not limited to steps, blocks, anchoring, cable pipes and any other materials pertaining thereto purchased at retail on or after the effective date of this ordinance for storage, use or other consumption in the city at the rate of one and three-fourths percent (1 $\frac{3}{4}$ %) of the sales price of such automotive vehicle, truck trailer, semitrailer or house trailer, and mobile home set-up materials and supplies within the corporate limits of the city. Where any used automotive vehicle or truck trailer, semitrailer or house trailer is taken in trade, or in a series of trades, as a credit or part payment on the sale of a new or used vehicle, the tax levied herein shall be paid on the net difference, that is, the price of the new or used vehicle sold less the credit for the used vehicle taken in trade.

(d) Every person storing, using or otherwise consuming in the city tangible personal property purchased at retail shall be liable for the tax imposed by this article, and the liability shall not be extinguished until the tax has been paid to the city; provided, that a receipt from a retailer maintaining a place of business in the city or a retailer authorized by the city, under such rules and regulations as it may prescribe, to collect the tax imposed hereby and who shall for the purpose of this article be regarded as a retailer maintaining a place of business in the city, given to the purchaser in accordance with the provisions of Code of Ala. 1975 §40-23-67, shall be sufficient to relieve the purchaser from further liability for tax to which such receipt may refer.

(e) An excise tax is hereby imposed on the classes of tangible personal property, and at the rates imposed on such classes, specified in subsections (a), (b) and (c) of this section, on the storage, use, or other consumption in the performance of a contract in the city of any such tangible personal property, new or used, the tax to be measured by the sales price or the fair and reasonable market value of such tangible personal property when put into use in the city, whichever is less; provided, that the tax imposed by this subsection shall not apply where the taxes imposed by subsection (a), (b) or (c) of this section apply.

(f) An excise tax is hereby levied and imposed on the storage, use or other consumption in the city of any machine, machinery or equipment which is used in planting, cultivating and harvesting farm products, or used in connection with the production of agricultural produce or products, livestock or poultry on farms, and the parts of such machines, machinery or equipment, attachments and replacements therefor which are made or manufactured for use on or in the operation of such machine, machinery or equipment, and which are necessary to and customarily used in the operation of such machine, machinery or equipment, which is purchased at retail after the effective date of this ordinance, for the storage, use or other consumption in the city at the rate of zero percent (0%) of the sales price of

such property within the corporate limits of said City of Huntsville, Alabama, regardless of whether the retailer is or is not engaged in the business in the city. Provided, however, the zero percent (0%) rate herein prescribed with respect to parts, attachments, and replacements shall not apply to any automotive vehicle or trailer designed primarily for public highway use, except farm trailers used primarily in the production and harvesting of agricultural commodities.

Sec. 15-117. Disposition of funds derived from tax.

Proceeds derived from the use taxes described in this article shall be disposed of in accordance with the requirements of section 15-109.

Secs. 15-118—15-123. Reserved.

DIVISION 4. RENTAL TAX

Sec. 15-124. License required.

If any person shall engage in or continue in any business for which a privilege tax is imposed by section 15-125 as a condition precedent to engaging or continuing in such business, he shall apply for and obtain from the city clerk-treasurer's office a license to engage in and to conduct such business for the current tax year upon the condition that he shall pay the license fees accruing to the city under the provisions of this article; however, no license shall be issued under the provisions of this article to any person who has not complied with the provisions of this article, and no provision of this article shall be construed as relieving any person from the payment of any license or privilege fee imposed by law.

Sec. 15-125. Levy and amount of fee.

(a) In addition to all other taxes imposed by law, there is levied and shall be collected as provided in this article a privilege or license tax on each person engaging or continuing within the city in the business of leasing or renting tangible personal property at the rate of three percent (3%) of the gross proceeds derived by the lessor from the lease or rental of tangible personal property; provided, that the said privilege or license tax on each person engaging or continuing within this city in the business of leasing or renting any automotive vehicle or truck trailer, semitrailer or house trailer shall be at the rate of one and one-half percent (1 ½ %) of the gross proceeds derived by the lessor from the lease or rental of such automotive vehicle or truck trailer, semitrailer or house trailer; provided further, that the fee levied in this section shall not apply to any leasing or rental, as lessor, by the state or any municipality or county in the state, or any public corporation organized under the laws of the state, including without limiting the generality of the foregoing, any corporation organized under the provisions of Code of Ala. 1975, §§ 11-54-80 through 11-54-101; provided further, that the privilege or license tax on each person or firm engaging or continuing within the city in the business of the leasing and rental of linens and garments shall be at the rate of three percent (3%) of the gross proceeds by the lessor from the lease or rental of such linens and garments.

(b) Notwithstanding the above, nothing shall prohibit a lessor subject to a state or local privilege or license tax from passing such amounts on to a lessee by adding such taxes to the leasing price

or otherwise, provided, however, that all such amounts passed on to the lessee shall be includable in the gross proceeds derived from the lease of tangible personal property which shall be subject to the privilege or license tax owed by the lessor.

Provided, however, the authority to pass on such amounts of the privilege or license tax granted in this subsection shall not apply to the leasing or renting of tangible personal property to the State of Alabama, a municipality, or county in the state, unless the flat amount collected by the lessor includes both the tax and the leasing fee.

Sec. 15-126. Proceeds of fee deposited in general fund.

The proceeds derived from the fees levied in this article shall be placed in the general fund of the city, subject to appropriation by the city council for any lawful purpose of the city.

Secs. 15-127—15-130. Reserved

DIVISION 5. LODGING TAX.

Sec. 15-131. Levy of license fee.

(a) There is levied and imposed, in addition to all other fees of every kind now imposed by law, a privilege or license tax upon every person engaging in the city in the following:

(1) The business of renting or furnishing any room or rooms, lodging, or accommodations to transients in any hotel, motel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodging, or accommodations are regularly furnished to transients for a consideration. The tax shall be in an amount equal to six percent (6%) of the charge for such room, rooms, lodgings, or accommodations, including the charge for use or rental of personal property and services furnished in such room; plus \$1.00 per room or lodging for each day, or portion of a day, such room or lodging is rented or furnished to a transient for a consideration; or

(2) The business of renting or furnishing space for accommodation of trailers for consideration. The license fee shall be in an amount equal to five percent (5%) of the charge for such trailer space; provided, that charges made by persons in the business of renting trailer space for use of washing machines, electric power, garbage collection, water supply, and other such charges shall not be included in the measure of the privilege license tax; only the charge for trailer space proper shall be included; plus \$1.00 per trailer space for each day, or portion of a day, such space is rented or furnished for a consideration for the accommodation of a trailer.

(b) The tax shall not apply to rooms, lodgings, or accommodations supplied: (i) For a period of 180 continuous days or more in any place; (ii) by camps, conference centers, or similar facilities operated by nonprofit organizations primarily for the benefit of, and in connection with, recreational or educational programs for children, students, or members or guests of other nonprofit organizations during any calendar year; or (iii) by privately operated camps, conference centers, or similar facilities that provide lodging and recreational or educational programs exclusively for the benefit of children, students, or

members or guests of nonprofit organizations during any calendar year.

(c) For purposes of subsection (b): “Children” means individuals under age 21; “student” is defined in accordance with 26 U.S.C. § 151(c)(4), as in effect from time to time or by any successor law; “nonprofit organization” is an organization exempt from federal income tax under 26 U.S.C. § 501(c)(3), as in effect from time to time or any successor law; and “privately operated” refers to any camp, conference center, or similar facility other than those operated by a nonprofit organization as herein defined.

Sec. 15-132. Certain municipal privilege license taxes excluded in computation of tax.

Municipal privilege license taxes which are levied and collected by the application of a flat percentage rate on gross sales or gross receipts from sales, and which are passed on directly by the licensee-seller to the purchaser-consumer or user shall be excluded from gross sales or gross receipts, as the case may be, in the computation of the city lodgings tax levied and imposed by this division.

Sec. 15-133. Accounting for license fees.

The proceeds derived from the privilege license fees levied in this article shall be accounted for within a special account of the general fund. Of the six percent privilege license fee levied in section 15-92(a)(1), one percent shall be used for the construction, maintenance, repair or replacement of recreational facilities and structures; and the remaining five percent shall be used for the promotion of tourism and the planning, construction and operation of a civic center and auditorium for the city.

Secs. 15-134—15-140. Reserved.

SECTION 4. Chapter 15, Article IV, Section 15-141 of the City Code is amended by deleting the definition of city clerk-treasurer, and said section to now read as follows:

Sec. 15-141. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Gross receipts or *gross sales* means the total amount charged and/or received as consideration by a licensee in connection with the sale of spirituous liquors and/or alcoholic drinks containing spirituous liquors (including all ingredients which are made a part of such drinks).

Vinous liquors means vinous liquor having more than 14 percent alcohol by volume.

SECTION 5. Chapter 15, Article IV, Section 15-153 of the City Code is hereby repealed and the section is hereby reserved.

SECTION 6. Chapter 15, Article IV, Section 15-155 of the City Code is amended to read as follows:

Sec. 15-155. Uniform procedures.

The provisions of section 15-75 of this chapter shall govern the administrative review and appeal rights available under this article.

SECTION 7. Chapter 15, Article V, Section 15-191 of the City Code is amended by deleting the definition of city clerk-treasurer, and said section to now read as follows:

15-191. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Distributor or *seller* includes every person who shall engage in selling or delivering gasoline or motor fuel, or both, within the corporate limits of the city.

Gasoline means gasoline, naphtha and all other liquid fuels commonly used in internal combustion engines. However, the term shall not include those products known commercially as kerosene oil, fuel oil or crude oil commonly used for heating, lighting, or industrial purposes; nor shall the term include any fuel sold and delivered for use in the operation of an airplane, helicopter, or other vehicle used for private or commercial aviation.

Motor fuel includes diesel fuel, tractor fuel, gas oil, distillate, or liquefied gas when sold and delivered for use in the operation of any motor vehicle upon public highways in the city.

SECTION 8. Chapter 15, Article V, Section 15-205 of the City Code is hereby repealed and the section is hereby *reserved*.

SECTION 9. Chapter 15, Article V, Section 15-207 of the City Code is amended to read as follows:

Sec. 15-207. Uniform procedures.

The provisions of section 15-75 of this chapter shall govern the administrative review and appeal rights available under this article.

SECTION 10. Chapter 15, Article VI is hereby *reserved* since its provisions have hereinabove been amended and consolidated, along with other articles of Chapter 15 and Chapter 24, as a part of Chapter 15, Article I and Article III.

SECTION 11. Chapter 15, Article VII, Section 15-300 of the City Code is amended by deleting the definition of city clerk-treasurer, and said section to now read as follows:

Sec. 15-300. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Chewing tobacco means tobacco prepared in such a manner as to be suitable for chewing only and not suitable for smoking.

Cigar means a compact roll of tobacco leaves prepared for smoking and shall include cigars, of all description containing any quantity of tobacco such as, but not limited to, cheroots and stogies.

Cigarette means a roll of finely cut tobacco or any substitute therefor, which is enclosed in paper and prepared for smoking by individuals.

Cigarillo means a small cigar or cigarette wrapped in tobacco instead of paper and sold in packages rather than by individual cigar.

Dealer means any wholesale or retail dealer as defined in this section.

Person or company, used interchangeably, means any individual, firm, company, partnership, association, corporation, receiver or trustee, or any other group or combination acting as a unit, and the plural as well as the singular number, unless the intention to give a more limited meaning is disclosed by the context.

Retail dealer means any person, other than a wholesale dealer, who sells or delivers tobacco products within the city, and any person operating under a merchant, retail dealer's license.

Retail sale means any sale by retail dealer of tangible personal property to users or consumers for personal use and not for resale.

Smoking tobacco means prepared in such a manner as to be suitable for smoking in a pipe or cigarette which shall include granulated, plug cut, crimp cut, ready rubbed and other kinds and forms of tobacco.

Snuff and other tobacco products used in a similar manner means a preparation of finely pulverized tobacco that can be drawn up into the nostrils by inhaling and other tobacco products used in a similar manner, not smoked or chewed.

Tobacco product means cigars, cheroots, stogies, cigarettes, cigarillos, smoking tobacco, chewing tobacco, snuff, tobacco in any form or condition or any substitute therefor.

Wholesale dealer means a person engaged in wholesale sales.

Wholesale sale means a sale of tangible personal property by wholesalers to licensed retail merchants, jobbers, dealers or other wholesalers for resale, and does not include a sale by wholesalers to users or consumers, not for resale; and as further defined under state law.

follows:

Sec. 15-301. License fee imposed.

There is levied, in addition to all other taxes of every kind and nature imposed by law, and shall be collected as provided in this article, a privilege or license fee upon every person engaged within the corporate limits of the city in the sale, storage or delivery of all tobacco products. Each person making such a sale of any tobacco product shall remit said license fee which shall be paid one time only per individual package of tobacco product sold, unless otherwise provided for. The fee shall be as follows:

- (a) Cigarettes: Upon all cigarettes which contain any quantity of tobacco or any substitute, a fee of \$0.10 for each individual package;
- (b) Cigarillos: Upon all cigarillos which contain any quantity of tobacco or any substitute, a fee of \$0.10 for each individual package;
- (c) Cigars: Upon cigars of all description containing any quantity of tobacco or any substitute, a fee of \$0.03 for each cigar sold individually and not as part of a package;
- (d) All other tobacco products: Upon all other tobacco products of any type including but not limited to chewing tobacco, smoking tobacco, cigars sold as a part of a package, and snuff, a fee of \$0.10 for each individual package sold.

SECTION 13. Chapter 15, Article VII, Section 15-304 of the City Code is amended to read as follows:

Sec. 15-304. Purchase and use of stamps for cigarettes only.

(a) *Stamps to be affixed.* The license fee imposed by this article shall be paid by affixing stamps in the manner and at the time herein set forth.

(1) The city clerk shall keep on hand for sale an adequate quantity of stamps to be affixed to each individual package of cigarettes sold, stored or delivered in denominations as required under this article. The city clerk-treasurer shall be the sole distributor of the stamps. The stamps may be sold at a discounted price to licensed wholesale dealers at a price equal to 90 percent of the full amount thereof, the remaining ten percent of such full amount shall represent compensation to the wholesale dealer for the labor of affixing such stamps to the packages in which the cigarettes are contained. All other persons, except licensed wholesale dealers, must pay the full face amount of the stamps, but no person shall be entitled to purchase any such number of stamps as shall cause the purchase price to include a fraction of a cent.

(2) Before any cigarettes shall be sold, stored or delivered within the corporate limits of the city by any dealer, such dealer shall affix to each package a stamp or stamps obtained from the city clerk-treasurer in the amounts set out in this article in payment of the license fees imposed by this article. Every dealer shall, within six hours after receipt of any cigarettes within the city, unless

sooner offered for sale, cause stamps equal to the required amount of the license fee to be affixed as herein provided and shall cause the same to be canceled by writing or stamping with waterproof ink a registered number, which shall be furnished to such dealer by the city clerk-treasurer, across the face of each stamp. After such stamping has been begun, it shall be continued with reasonable diligence by such person until all unstamped cigarettes shall have been stamped and the stamps canceled as herein provided. No stamp required to be affixed to any package of cigarettes shall, after the same has been affixed as herein provided, be again used in payment of any part of the license fee levied under this article. The stamps shall be affixed in such a manner that the removal of the stamp will require continued application of water or steam. The required stamp shall be affixed to each individual package in such a way that the stamp shall be torn in two or mutilated when such package is opened.

(b) *When requirements not applicable.*

(1) The requirements of subsection (a) of this section do not apply to the sale or delivery of cigarettes by a wholesale dealer in the following cases:

- a. To a retail dealer that is located outside the corporate limits of the city; or
- b. To a wholesale dealer to the extent the wholesale dealer sells or delivers to retail dealers to which the immediately preceding subsection (1) applies;

(2) A wholesale dealer shall establish reasonable business rules and practices that establish when a retail dealer is located outside the corporate limits of the city and, failing therein, the requirements of subsection (a) shall apply.

SECTION 14. Chapter 15, Article VII, Section 15-314 of the City Code is hereby repealed and the section is hereby *reserved*.

SECTION 15. Chapter 15, Article VII, Section 15-316 of the City Code is amended to read as follows:

Sec. 15-316. Uniform procedures.

The provision of section 15-75 of this chapter shall govern the administrative review and appeal rights available under this article.

SECTION 16. Chapter 15 of the City Code is amended by adding the following Article VIII:

ARTICLE VIII. - AD VALOREM TAXES

Sec. 15-401. Ordinances not affected by Code.

Nothing in this Code or the ordinance adopting this Code shall affect Ord. No. 73-132-A or any other ordinance levying or imposing ad valorem taxes. All such ordinances are hereby recognized as continuing in full force and effect to the same extent as if set out at length in this Code.

SECTION 17. Chapter 24 of the City Code is hereby *reserved* since: (a) the provisions of Chapter 24, Articles I, II, IV, and V of the City Code have been hereinabove amended and consolidated with other articles of Chapter 15 as a part of Chapter 15, Article III; and (b) Chapter 24, Article III has hereinabove been moved in its entirety to a new Article VIII in Chapter 15.

SECTION 18. Severability. The severability provisions of section 1-8 of the City Code shall apply to this ordinance.

SECTION 19. Effective Date. This ordinance shall become effective upon its adoption and approval.

ADOPTED this the _____ day of _____, 2012.

President of the City Council
of the City of Huntsville, Alabama

APPROVED this the _____ day of _____, 2012.

Mayor of the City of
Huntsville, Alabama